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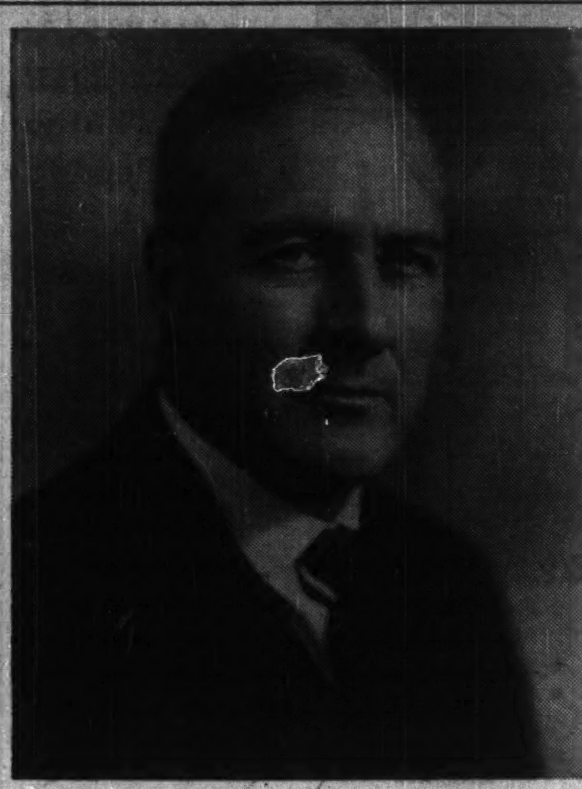
To Head Bar Association



Arthur N. Carter, K.C., 58, of Saint John, slated to become head of the Canadian Bar Association at its 31st annual meeting in Banff this week, has been prominent in New Brunswick legal circles for the past 25 years. A specialist in corporation law he's solicitor for a number of N. B. business firms and investment houses. He's a graduate at the University of N. B. and of Oxford. (Post Script, p. 6.)

THE NATION'S BUSINESS

How About Canada's Defense Policy?

How are Canada's military defenses?

Are we getting good value for our defense expenditures?

Are we spending enough money on the right things?

Those questions are quite properly in the minds of responsible Canadians. Interest in the answers has been stimulated by recent criticisms. This subject will likely be a matter for major debate in the new Parliament.

The first of two special articles appearing on page 13 of this issue tells what our defenses are, what, actually, our defense policy is, and on what fundamental thinking it is based.

Defense planning can at best be only a calculated weighing of risks and probabilities; a balancing of what might be done against what seems proper to do in the light of apparent risks, and the national capacity to pay.

Successful defense depends on having the right forces at the right place at the right time.

The starting point of defense planning must therefore be the making of assumptions as to the nature and location of attacks, and the time of the attacks.

It is known that American and Canadian strategy is based on the mutual conviction that western Europe would be the battlefield of a next war; that the danger of attacks to Canada is limited to diversionary raids calculated to upset production and morale here; above all, to try scaring United States into weakening its effort overseas and concentrating on home defense.

The other fundamental assumption on which our defense program is based is the time at which attack is probable.

In no other way can training or equipping our defenses be programmed in any sensible way and in a way which does not wreck the civilian economy.

For obvious reasons, the assumption as to timing cannot be published. It is, incidentally, almost the only question we asked of defense authorities which brought the reply, "That's secret."

It is not enough for critics to allege we haven't got enough men, or aircraft or guns or radar screens today. Everything has to be balanced against other very practical considerations as to cost, effect on the economy, the diversion of men from productive into nonproductive military jobs. Everything has to be balanced against informed opinion as to when our defense program should mature; as to when we reach the danger period.

The Post article lays foundations on which constructive, useful and fruitful discussion of defense policy may be debated.

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No Painless Remedies

President Truman made a very sound point when he warned against putting any hope in "trick solutions" for the present currency crisis.

As will be apparent to all the peddlers of nostrums if they really probe and comprehend the problem in all its aspects, there is no speedy, painless remedy in any tricks with currency.

Britain's present plight is simply the culmination of a series of things which have been happening for at least a half century. Fundamentally, the problem now is to adjust to the new fact of life which is that the United States has replaced Britain as the dominant industrial power of the western world.

The two great wars have, of course, speeded the need for Britain facing this transition. The United States, for her part, has deferred the need for facing it by her vast foreign loans during and after both world wars.

Nothing dramatic will be achieved at Washington. The most we can hope for is that the nations most deeply involved—and that includes us—will really get down to tackling the fundamentals; will set in motion a program and a policy which will lead to real solutions. Palliatives will merely lead to more crises.

And there is no painless solution. The British people can't forever avoid facing up to the fact that they are living beyond their means; that they must increase productivity. The American people can't forever avoid facing up to the results of exporting more than they buy, so the solution will mean some pain for some over-protected American industry.

So a fundamental task of the officials responsible for working out the problem will be to win and hold public support for the program that is necessary. That will be no easy task. The Truman warning against "trick solutions" is timely and well-merited.

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The Municipal Aid Plan

Success of the Ontario Government's proposal to make cheap loans to municipalities for sewage disposal and similar projects will depend entirely upon administration. Two pitfalls must be avoided, politics and extravagance.

Political considerations must be rigidly excluded from all decisions as to who gets aid.

Prevention of waste will not be easy. Almost invariably when money has been made easily available for public works, then public works have been built extravagantly.

Certainly there is a great need in Ontario and other provinces for better sewage and water systems. Growing industrialization has brought greater dangers from pollution. Water and sewage services that were adequate for the prewar populations may be far from adequate now.

The Frost program is enterprising and it can have good results. But it needs very careful administration.

Will U.S. Take Over Sterling Area Task?

Who'll Underwrite The Cost If Britain Still Unable to Carry Her Vast Sterling Responsibilities? – Vital Interest for Canadian Exports

By KENNETH WILSON

OTTAWA (Staff) — Britain's position as banker for the world-wide sterling area is seen here as one of the main issues underlying the forthcoming Washington talks.

The British boast that their currency area now covers 45% of world trade and financial needs. In recent British publicity concerning the dollar crisis it was stated: "The sterling area itself covers 25% of the world's population, while countries between which sterling is transferable cover another 20% of the world's population . . . Sterling helps serve the trade and financial needs of 45% of the world. It would be disastrous if this stability were impaired."

It's agreed here that it is vital to restore confidence in the pound sterling.

But there's no corresponding view that the British pound and the sterling area can and must continue to be synonymous. That's a crux of the Washington crisis in the Canadian view.

Britain is now unable to meet her sterling area responsibilities. She is far beyond her financial depth in trying to support this far-flung sterling area empire.

Now to be decided at Washington, if possible, is: What's going to be done now?

Is Britain now to be separated from her vast and costly sterling connections? If so, who's to take on the responsibility? Who will underwrite the cost?

If the Washington talks agree that Britain is still to continue to "manage" the sterling area as in the past, she'll need some aid.

Will the U.S. provide such aid? If so, how?

To date, the U.S. has been giving this aid indirectly through ECA funds and loans. But almost as fast as those loans and gifts have been made they have been siphoned off in other directions to support the British overseas connections.

Now, even this isn't enough.

So, the question is, what next? (The British contend that this drain isn't as large as it sounds, since their ability to supply goods to the sterling area saves these countries from themselves making larger direct dollar purchases.)

It's pointed out here that Britain's present plight has a dual background: (1) The serious in-

(Continued on page 3, col. 2)

Talk Bonds, Convertible Debs. For Interprovincial Pipe Line

Financing of the Interprovincial Pipe Line Co., recently formed Imperial Oil subsidiary, is now being worked on, The Financial Post understands. Any arrangements currently made however are subject to the company receiving approval for its pipeline from Regina, Sask. to a point near Gretna, Man. from the Board of Transport Commissioners for Canada at a meeting Sept 8.

The financing now being considered is understood to consist of $72 millions of 3½% bonds, of which $37 millions would be sold in Canada and $35 millions in the United States, and of $17 millions 4% convertible debentures. The debentures would be convertible into common stock on the ratio of 20 shares of common for each $1,000 debentures., i.e. at rate of $50 a share.

Prices currently being discussed for the bonds are understood to be a 3.50% basis for the Canadian issue and a 3.375% basis for the U. S. issue. Subscriptions are likely payable in three instalments: 25% on Jan. 1, 1950, 50% on Apr. 1, 1950 and the balance on July 1, 1950, it is understood.

No price is understood to have been discussed in connection with the convertible debentures as yet. Imperial Oil Ltd. is expected to buy from $5 to $6 millions of these debentures according to unofficial reports.

Under plans now being discussed, holders of the bonds would have a virtual guarantee of the Imperial Oil Ltd., although not an actual guarantee, by reason of Imperial's guaranteeing to put enough crude oil through the line so that Interprovincial could service its debts and through another agreement to take up promissory notes from Interprovincial if it had not enough money to service the debt, The Post understands.

Massey-Harris Investment In UK Plants Paying Off

Investment in branch plants in the sterling area is paying off for Massey-Harris Co. The company's plant at Manchester, England is operating at capacity, President J. S. Duncan tells The Financial Post, and a new plant at Kilmarnock, Scotland, will be opened in November.

Both are assured large-scale business for a number of years—business that would have been almost completely lost to the company if operations depended entirely on sales from North American plants, says Mr. Duncan who forecasts that over-all sales and earnings for the fiscal year ending Nov. 30, 1949, will likely establish an all-time record.

Although an increasing proportion of earnings from overseas operations likely will be retained in the sterling area for some time the company, in the meantime, continues to expand its markets in practically every sterling country and in South America.

Large-scale shipments of agricultural equipment have been going regularly from the English plant for two years now to the British Overseas Food Corp.'s huge Tanganyika peanut project.

Although original acreage targets have been pared down by about one-third large-scale orders are expected for several years yet.

In the Canadian operation, although there was a moderate curtailment in production during the summer months in line with an anticipated reduction in 1950 export business, production is still close to record levels and no further worker lay-offs are expected.

HowFastShouldRecordsSpin?

Platter War Still Has Customers in Whirl

By RONALD WILLIAMS

The dizzy three-speed phonograph record war which has had the industry and customers going round in circles for months now was whirling faster than ever last week.

A truce was declared a couple of months ago to let the chief combatants, RCA Victor and Columbia get together with Decca Records to try to agree on armistice terms.

The talks, held in New York, were called off when RCA refused to go along with a preliminary agreement which representatives of the Big Three had agreed on earlier.

Now they're farther apart than ever, according to New York reports. Decca is said to have decided to throw in its lot with Columbia. Beginning Sept 5, Decca will make its album catalog of popular works available on 33 1/3 platters.

By now the battle lines have been clearly drawn. The fight is between two ideas on the speed at which records should spin. Previously, there was one standard speed—78 r.p.m. Then along came Columbia with its long playing disc at 33 1/3 r.p.m. In reply, RCA accepted the challenge with a quick-changing platter which turned at 45 r.p.m.

Caught in the muddle, the record buying public stayed away from the record bars in droves. Record sales were cut in half. The public, not knowing which way to turn for fear of backing the wrong speed, decided to wait and see what happened.

As things now stand, Columbia seems to have the upper hand. With Decca, Capital and some smaller firms on its side, a wide catalogue will be available on its L.P. discs. In the meantime, RCA is reported to have appropriated a fund of $1 million to meet the new Columbia offensive.

The line-up in Canada will likely be the same. RCA is already pressing its 45 r.p.m. platters and making changers to play them on. Sales are reported good. Decca has been waxing only standard records in Montreal up to now. Sparton at London, Ont. which makes Columbia records and has been producing the L.P. variety since the first of the year, and reports sales better than expected. Also at London is Capital Records which will also press new type discs shortly.

What caused the armistice talks to break down is not known. It was thought that they were well on the way to at least a temporary solution, patterned along the following lines:

All firms would make all three types but Columbia's 33 1/3 platter would be used for all symphonic, musical comedy and other lengthy album-type recordings. RCA's saucer-size was to be used by all for popular recordings. And all would continue to make standard 78 r.p.m's, at least for the time being.

At best, this was an uneasy armistice but anything was better than the current confusion. Now they're going round in dizzier circles than ever. Last time it was radio put the record business on the rocks. It's far from on the rocks now, but if it does founder, the industry will have no one to blame but itself.

PRICES

Paint prices received their first cut in 10 years when manufacturers recently reduced prices to dealers approximately 5%-6% on shelf goods sold over the counter. Industrial paints, which represent a far greater proportion of total sales, are not affected.

The industry contends that this cut is in response to demands for lower prices from dealers and is in anticipation of further declines in prices of raw materials rather than a reflection of savings in costs of materials already enjoyed. Some dealers passed lower prices on to the public at once; others are waiting until higher priced inventory is worked off. Inventory paring by dealers has resulted in a drop of about 8% in manufacturers' sales in the first five months of this year, since dealers' sales have suffered no decline. The price cut is regarded as effort on the part of manufacturers to stimulate restocking.

Flour prices: Bakers are benefiting from lower export demand for flour. Soft wheat flour used in making of cakes, pastry, etc. declined in price several weeks ago. Now hard wheat flour used in bread making is being sold to bakers close to cost, The Financial Post understands. Competition is keen in the domestic market and millers are said to be selling to bakers at low prices in order to keep operating.

Cottonseed oil price jumped from 9c lb. in early July to 17½c on Aug. 18. Has since slipped back to 13¾c. Advance was due to temporary shortage prior to new crop coming on market. In meantime U. S. Government has imposed support price of $49.50 ton for cottonseed equivalent to about 11c lb. crude oil, thus limiting future decline despite heavy crop soon to come on market. Upward pressure was also exerted on prices of competitive fats and oils as result of the crisis in cottonseed oil.

Residential building materials price index (1935-39=100) held in July at 228.0 after a four-month decline from the peak of 230.4 reached in February. Roofing

(Continued on page 3, col. 4)

Heavy Drain Continuing On Our Gold, $ Reserves

OTTAWA (Staff) — Latest trade returns confirm the continued heavy drain on Canadian gold and U. S. dollar reserves which first showed up in trade returns last April.

Six-month figures show Canada's imports from U. S. were just over a billion dollars — an increase of 14% over our imports in the same period last year. At the same time our exports to U. S. were only $691 millions—up only 7% over the first six months of 1948.

Thus, our trade balance with U. S. for the first half of this year ran a deficit of $308 millions, against $228 millions a year ago. By contrast our trade deficit with U. S. in the first half of 1947 was $488 millions.

Figures compiled for The Financial Post on the six-month results of dollar-saving controls show that we bought 76% of all our imports from hard currency countries in the period. This is about the same proportion as in 1948. Purchases in the first six months of 1947, before controls were introduced, were 80% in hard currency countries.

Out of $1 billion goods bought from hard currency countries in the first six months of 1949, $433 millions or about 40%, were items under dollar-saving control. The great bulk of these "controlled" imports ($327.9 millions) were in the capital goods field (Schedule III of the Emergency Exchange Conservation Act).

Under Schedule III our imports from hard currency countries were higher by 10% than in the first six months of either 1947 or 1948.

In respect of consumer goods (Schedules I and II) our imports of goods wholly banned rose 60% over 1948 but were 25% lower than corresponding imports in the first six months of 1947.

Imports of consumer goods on quota were higher by 32% than in the first six months of 1948. But compared with the first six months of 1947 there was a drop of about 25%.

(See Details in Table. Here's Dollar-saving Record, P. 3).

Will Dominion Plan Fall Issue Of New Bonds?

OTTAWA (Staff) — Success of Canada's $100 millions public loan offering in United States may well prove a decisive factor in leading the Government to float a new domestic loan this fall.

Fiscal authorities here are highly delighted at the success of their public offering in U. S. Both the rate and the response received put Canada's credit rating at or close to that of U. S. itself.

On the subject of the mooted domestic issue all authorities here are decidedly mum. But reading between the lines it's not hard to see that a decision to make an issue this Fall rather than wait till Spring is not at all unlikely.

The decision, if, as and when it is made will be made entirely on the matter of market conditions, business sentiment, psychological factors, etc. Even though there are very substantial maturities coming due this fall, it's argued here that none of these maturities in themselves govern the timing.

Put in this light, it is argued that the Government may decide the present is a highly fortuitous time to float a domestic loan. It has been demonstrated in New York that Canada can raise money as cheaply as any government in the world and that the present market (even in the United States) is highly receptive.

One argument advanced against a Fall offering is that the Government has already announced a new fall Canada Savings Bond campaign. But the view here seems to be that this doesn't stand in the way.

Investment dealers, however, feel that such a loan would interfere with the sales of the Savings Bonds as their sale period would be the most desirable during which to sell a Dominion loan and that the Government could easily finance over until next spring.

Ontario Peaches Take to Air To Capture Bermuda Markets

Ontario fruit is taking wings these days—for the first time in volume—to what promise to be rich new markets overseas.

In the fruit stores of Bermuda this week air-shipped peaches from the Beamsville area of the Niagara peninsula nestled alongside American peaches. Specially-selected fruit, fresher-looking, better-graded than the American sea-borne produce and price-tagged 10c a lb. cheaper, they were snapped up as fast as they appeared.

This week's shipment was the third to be sent to Bermuda on a trial basis. It totaled 1,500 lbs. or the equivalent of about one-fifth the average weekly sea-borne shipment from U. S.

The Ontario experiment has succeeded. Next week the Beamsville growers will be shipping more than double this week's order. By the following week, if present tentative deals go through, the order will be up to present U. S. volume — six-seven tons.

Next week, too, TCA will be flying first trial shipments to Belgium and Switzerland, and possibly Britain.

And for next year plans have been laid to market pears, plums, grapes by air.

The air marketing scheme originated with Beamsville Growers Co-operative, marketing organization representing 186 growers in the Grimsby-Vineland area of Niagara, was developed by a recently-organized Toronto importing firm, J. P. Fielding Co.

It was the success of the Maritimes' fisheries in boosting their sales in Ontario and Quebec by flying fresh fish to Montreal and Toronto that led the growers to thinking in terms of marketing by air.

First Newfoundland was considered but it was found the rates were too high.

Enquiries about the luxury market in Burmuda told another story. There it was found that even after charges of around 26c a lb. were paid, Ontario peaches could still be laid down in Bermuda at a rate that looked attractive to the importer, enabled him, in fact, to undersell his competitor handling American fruit by 10c a lb. (in Bermudan money, 2s 6d as against 3s).

Part of this price advantage is gained by the low spoilage rate air shipment allows—one half of

(Continued on page 3, col. 4)

Who'll Buy Wheat? Big Surplus Looms

Canada Facing First Sales Problems in Years With $200-$250 Millions of Surplus Crop on Hand at Season's End, No Market in Sight

OTTAWA (Staff)—New and enlarged estimates of Canada's 1949 wheat crop mean that this country must get busy hunting buyers for $200 to $250 millions worth of surplus wheat—unless among other things, the U. S. does an about-face on present ECA policies on wheat purchases by ECA recipients at next week's Washington talks.

This is the first time in years that Canada has faced a real selling job in wheat. If we don't get busy at once and have some substantial success we may have an unsold surplus of up to 150 million bushels at the end of the 1949-50 crop year. With the end of the U. K. contract then, Canada might be in a poor bargaining position.

Mathematics of the new crop are simple to state.

Initial estimates of the new prairie crop are about 360 million bushels. Exportable surplus out of 360 million bushels would run about 245 million. But this year carryover of Canadian wheat is set at nearly 100 million bushels.

Against this Canada has the final year of the U. K. pact — about 145 million bushels. She also has an over-all "cover" of 203 million bushels (including the U. K.) under the International Wheat Agreement.

Assuming that all signatories to the wheat pact honor their agreement, this still leaves Canada with up to 150 million bushels to sell somewhere.

What Other Buyers?

When it's remembered that last year our biggest single buyer outside Britain was India, which purchased 11 million bushels of Canadian wheat, the problem of getting rid of our surplus outside the wheat agreement looms large. Our third largest buyer was South Africa (about 7 million bushels).

This means that outside U. K. we'll have to look to scores of little bits and pieces if we have any hope of selling this new wheat.

Part of this problem, it's argued, can be traced to the U. K. agreement.

At a time when buyers all over the world were clamoring for Canadian wheat we sewed up the bulk of our crop in the U. K. pact for four years.

That meant we had to pass up a lot of potential customers who might have been in the market now.

For the U. K. contract was for an average of 150 million bushels a year as against a normal prewar U. K. purchase of about 80 million bushels a year.

What About World Pact?

What's going to happen under the International Wheat Agreement is also another question mark. To date, nations representing 400 of the 456 million bushels covered in this agreement have ratified the pact.

But the pattern of buying in 1949 may well be decided by other big questions such as the attitude of U. S. toward use of ECA funds for other than U. S. wheat.

Since early this year, ECA has been so limiting its funds thus barring purchases in Canada with ECA money.

This policy is apparently to be challenged by Britain at next week's Washington talks. It will be argued that United States cannot honor its contract under the International Wheat Agreement and at the same time permit ECA to be used to dump U. S. surplus supplies.

Britain will seek freedom to use her funds to purchase either U. S. or offshore wheat with her ECA funds. If she gains her point then the same would hold good for other ECA countries — and Canada might gain accordingly.

Inside News

Your Defense Dollar

Are we spending too much, or not enough on defense? What do we keep armed forces for? What do we expect them to do? Are they doing it? Are we getting value? The issues, the problems involved in our defense policies. (p. 13).

Your Car Insurance

How's your automobile insurance? Are you fully covered? The Post reports on policy changes which are being considered. Of interest to every automobile owner and driver (p. 9).

"Growth" Stocks?

Are you on the lookout for "growth stocks" for investment? How do you identify them? When's the time to buy? Valuable for all investors (p. 7).

What's Power Picture?

What's the power picture for this Fall and Winter across Canada? Will shortages hamper industry in key areas as they did last year? The Post reports, province by province (p. 18).

Mailman Success Story

Since 1945, the Mailman enterprises have been expanding rapidly, are now consolidated in Mailman Corp. of Montreal. What's behind their growth? On what are they pinning hopes for success? A special Post report. (p. 14).

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Pace of Business

Imports in June totaled $250.5 millions, unchanged from May but 7.5% above $233 millions in June, 1948. Advance of 11% reported for first half of 1949, due mainly to increased purchases from U. S.

Favorable balance of trade with all countries in June was $6.9 millions compared with $3 millions a year ago. During first half of 1949 favorable balance dropped to $29.1 millions ($148.8 millions).

Retail trade in June was valued at $679 millions, up 7% from $635 millions a year ago. A 19% increase in sales of motor vehicle dealers accounted for large portion of June increase. Gains in all provinces fairly uniform with Alberta still running ahead.

Department store sales in week ended Aug. 20 were 1% above year ago with increases in all Western provinces; declines in Maritimes (11%), Ontario (3%); Quebec unchanged.

Wholesale price index (1926=100) up slightly in July at 156.6 compared with 156.3 in June and 152.2 in July, 1948. Decreases from June in animal products, textiles, wood, iron, chemicals; increases in vegetable products, non-ferrous metals, non-metallic minerals.

Carloadings for week ended Aug. 20 totaled 79,171 cars compared with 74,207 in previous week and 80,250 a year ago.

Pig iron production in June: 194.3 thousand tons, down 3.9% from 202.1 in May but 5.7% above 183.8 a year ago.

Steel production declined to 270.5 thousand tons in June from 293.2 in May but was 4.3% ahead of the 259.4 thousand tons produced in June, 1948.

Copper production in June: 20,259 tons compared with 21,653 tons in May and 20,397 tons in June, 1948.

Crude petroleum production in May: 1,717,863 bbls., decline of 6.9% from 1,845,434 bbls. in April; increase of 87.3% from 917,365 a year ago. Five months total up 98.5% at 8,111,231 bbls.

Paint sales by manufacturers (representing 96% of total Canadian production) up somewhat in May at $8,680,104 compared with $8,556,838 a year ago. Five months total off 8.1% at $35,109,211.

Egg production totaled 236,357,000 dozen in first seven months, down 8.6% from 258,689,000 dozen last year.

Nickel production in June: 10,580 tons against 11,161 in May and 10,434 year ago.

EATON'S

One of EATON'S Own Brands

Follow the game with a

VIKING Portable 7-Tube Battery and Electric Radio

Carry along this powerful Viking and enjoy the football games while on your Fall outings. Ready to play almost anywhere . . . outdoors as a battery portable, indoors as a regular battery or electric set! Features include built-in antennae, 3-gang condenser for those hard-to-get stations, powerful AC-DC-Battery circuit, automatic volume control and a good speaker, all designed for dependable performance. Smartly styled in limed oak to be proudly displayed in study, office or week-end retreat, and with a water-resistant finish for practical protection out-of-doors!

EATON'S

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Air Force (Ottawa)—Group Capt. R. S. Turnbull, director of selection and manning, headquarters.

Association of Canadian French-language Educationists—Msgr. Alphonse Marie Parent (vice-rector Laval University), president.

Allied Florists & Growers of Canada Inc. (Toronto)—Cecil I. Delworth (Weston, Ont.), president; Hector Newport (Dartmouth, N.S.), a vice-president; Joseph A. Whitmore (Toronto), managing director.

Air Force (Ottawa)—Group Capt. V. H. Patriarche, director of service requirements; Wing Cmdr. W. P. Pleasance, liaison officer to International Civil Aviation Organization, Montreal; Group Capt. G. E. McCormick, senior supply officer in air materiel command; Wing Cmdr. R. J. Lane, to Air Transport command headquarters as senior staff officer from Air Force headquarters.

Canadian Bank of Commerce (California)—George Smith (San Francisco), president.

Chatco Steel Products Ltd. (Toronto)—H. G. Hill, director of engineering; R. Setterington, director of production control.

Canada Bread Co. (Toronto)—L. F. Enright, secretary-treasurer.

Canadian Bakeries Ltd. (Vancouver)—Adam Galger (secretary-treasurer), Vancouver manager.

Canada Steamship Lines Ltd. (Montreal)—Col. K. R. Marshall (Toronto), president.

Canada Govt. (Ottawa)—Hugues Lapointe, solicitor-general; Hon. Edouard Rinfret, postmaster-general; Lord William Shaughnessy, director of public relations, Dept. of Finance (new branch).

Canadian Pacific Railway Co. (Montreal)—W. M. Jamieson (Montreal), to Winnipeg as general freight agent, sales and service, for Prairie region.

City of Edmonton—Noel Dant, director, dept. of Town Planning (new).

Canadair Ltd. (Montreal)—William K. Ebel, vice-president in charge engineering.

Canadian Daily Newspapers Association (Toronto)—John B. Stark (Nelson, B.C.), to headquarters staff representing advertising bureau.

Canadian Foundation for Advancement of Pharmacy—C. H. Wilkins (Toronto), president.

Dominion Association of Fire Chiefs—R. McRonald (London), president.

Dominion Rubber Co. (Montreal)—L. A. Lambe, assistant sales representative Northwest Quebec and Kirkland Lake-Timmins area.

Dominion Textile Co. (Montreal)—H. E. Hockley, manager Toronto sales office; Nicholas Nealson, assistant manager Toronto.

Engineering Institute of Canada (Montreal)—E. L. Baillie, chairman of St. John's, Nfld., branch (new); George Desbarats, vice-chairman.

Fabricated Steel Products Co. (Windsor, Ont.)—J. N. Eansor, a partner and sales manager.

Harry E. Foster Agencies Ltd. (Toronto)—Robert C. Elvin, account executive Toronto office.

Moose Jaw (Sask.) Times-Herald Ltd.—S. L. McCable (Galt, Ont.), a director.

McGill University (Montreal)—R. G. K. Morrison, Macdonald professor of mining engineering and chairman of dept.

Maritime Co-Operative Society Ltd.—Charles J. Gallant (New Waterford, N.S.), a director, representing Cape Breton.

National Health Association (Montreal)—Dr. Charles Vezina, Dr. J. Edmond Dube, Dr. Frederick Smith (deans of medicine, Laval, McGill, Montreal universities), joint presidents; Hon. E. L. Patenaude, W. Taylor-Bailey, vice-presidents; T. Taggart Smyth, honorary treasurer; deGaspe Beaubien, chairman of board and executive committee; Mrs. Paul Hamel, executive director.

Ontario Liquor Control Board (Toronto)—David Archibald, director of research.

Provincial Bank of Canada (Montreal)—Hon. J. A. Brillant (Rimouski, Que.), vice-president; Ulysse Ste Marie (Quebec City), a director.

Quebec Judiciary—Hon. Joseph Jean, to superior court; Hon. Ernest Bertrand, to court of King's Bench, Montreal; George S. Challies; Elphege Marier M.P.; Eugene Marquis M.P.

Refrigerated Foods Engineering Ltd. (Toronto)—P. E. Paulson, vice-president and managing director.

Saskatchewan Retail Druggists' Association—Alfred Pepper (Regina), president.

Saskatchewan Govt. (Regina)—T. J. Bentley, director of staff training; J. K. Swanson (supervisor, natural gas), temporary administrator petroleum development (Dept. of Natural Resources).

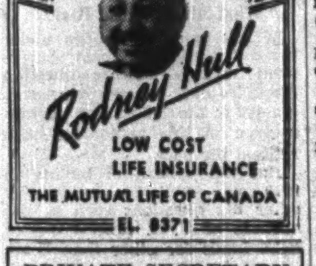
E. D. Smith & Sons Ltd. (Winona, Ont.)—Douglas S. Watson (sales manager), a director.

Union Steamships Ltd. (Vancouver)—Senator S. S. McKeen, a director.

Walsh Advertising Co. (Windsor, Ont.)—Charles E. King, to Toronto office executive dept.

Western Grain Co. (Winnipeg)—W. A. Cruse, president and general manager.

World Federation of Mental Health—Prof. William Line (Toronto), vice-president; Dr. J. D. Griffin (Toronto), member of executive board.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GM's Wecker Translates Taxes Into Auto Prices

Are new car prices going up or coming down?

The last half of the question was answered this week by William A. Wecker president, General Motors of Canada, before the Automotive Day luncheon at the Canadian National Exhibition in Toronto.

Said Wecker: ". . prices can only come down if costs are reduced, and at present there seems no likelihood of a reduction taking place . . ."

Are they going up? Until the CIO Auto Workers and the industry come to terms, that will have to go unanswered. But industry itself seems determined to do everything to stop any more increases.

Studebaker underlined this policy last week when it announced its "next look" car for 1950. Despite major style changes to the front end and other modifications, the price line is being held in the United States. However, if the union is able to jam through a raise, this hold-the-line policy might have to be revised.

"Everything possible will be done to keep costs low," G.M.'s Wecker told his CNE audience. He then went on to take a second look at car prices. His conclusion: Sure, car prices have risen sharply since 1939 but in terms of other products, the increase has not been proportionally as great.

"For example," he said, "in 1939, a buyer had to offer the equivalent of 14 prime steers for a Chevrolet coach in Toronto. Today, with the rise in value of animals, only eight steers would be needed. It took 55 hogs to buy a coach before the war; 40 today.

"And take the case of the average worker. He now has to pay with more hours of his labor for many things he has to buy than he did in 1939—a house, for example. But he can buy a car for fewer hours. And it must be remembered that a coach today has about $168 more taxes in the price tag than in '39."

The Effect of Taxes

Which brought Wecker up to one of the industry's touchiest spots—the excise tax. If car prices are to come down without a reduction in costs, he insists it can only happen by a cut in taxes, which he calls "unduly high."

He disclosed that a car which costs $2,000 retail has a tax tag of about $250 in the price in sales and excise taxes. Lop those off, and car prices can be cut $250 right away, he suggested.

But this isn't all. If you live in Quebec, you pay an additional 2%; in Saskatchewan, 2% and in British Columbia an extra 3%. Furthermore, two Quebec municipalities impose taxes of their own on top of everything else.

Quebec slaps on another 2% while Montreal adds another 3%, making a total of 5% for Montrealers or about another $100 on a $2,000 car.

Then there are the indirect taxes: $125 millions last year alone on gasoline; about $30 millions in registration fees and a few million more for radio licenses, driver's permits.

"It adds up to a staggering bill," Wecker declared, adding that the industry has no desire to escape from a fair share of the tax burden. He said he brought the matter up because taxes are definitely related to the industry's prospects.

"When excise taxes were increased, the industry could measure the definite loss which resulted because people with fixed incomes could no longer afford to buy, I assure you," he went on, "that it also works in reverse. If the tax could be reduced, more people could buy cars, there would be more jobs and more purchasing power in the country at large.

"Excise taxes can cause unemployment and shutdowns to an indefinite but considerable extent. The best insurance," he felt, "would be complete removal of the excise tax."

Obituaries

John Adair, 72, Montreal, retired former assistant manager Montreal branch, Canadian Bank of Commerce.

Clinton Arthur Boddy, 64, Toronto, manager, Toronto office, Laidlaw & Co., stockbrokers.

B. M. Brennan, 60, New Westminster, B.C., managing director International Pacific Salmon Fisheries Commission.

Dr. Frank F. Chute, 55, Ottawa, member Canadian Pension Commission.

Charles J. desBaillets, 65, Montreal, chief engineer City of Montreal technical division (waterworks, signals, lighting).

Edward S. Fraser, 58, Winnipeg, general manager Maytag Co., washing machines manufacturer.

James Logie, 85, Toronto, retired former Toronto manager E. B. Eddy Co.

Joseph H. Noad, Toronto, former proprietor of 23 chain groceterias in Toronto.

W. Charles Northey, 66, London, Ont., founder, president and general manager, Northey Construction Co.; a city alderman.

Alexander Leckie Robertson, 62, Montreal, secretary Imperial Tobacco Co. of Canada.

Very Rev. Dr. J. R. P. Sclater, 73 Edinburgh, Scotland, former moderator United Church of Canada (1942-44).

J. R. J. Stirling, Kelowna, B.C., president B. C. Fruit Growers' Association and Kelowna Growers' Exchange.

V. Norman Smallpiece, 67, Toronto, W. R. Smallpiece & Sons Ltd., manufacturers' agent.

Dr. John L. Todd, 62, Montreal, retired army medical officer, world ranking parasitologist.

Hugh Young, Jr., 46, Montreal, assistant statistician Bell Telephone Co. of Canada.

J. SINCLAIR

has been appointed assistant general manager of Kelvinator of Canada, Ltd.

Neon Prod.'s Current Position Said Better Than Appears

The value of Neon displays on rental from Neon Products of Western Canada Ltd., Vancouver, B.C., after deducting amortization, has now passed the $1 million mark and the increase in the year just concluded was greater than that of the previous fiscal period, President George W. Sweny stated at the annual meeting last week.

"It is anticipated rentals to be received during the current year will equal roughly one half of the unamortized cost of the displays and therefore, the liquid position is substantially better than might be assumed from the balance sheet," Mr. Sweny added.

Current assets, including prepaid expenses, of $538,000 together with the "semi-liquid" portion of signs on rental exceeds current liabilities by about $166,000. Current liabilities of $947,035 have increased by $100,000, all of which is represented by increased bank loans and reflects the increased volume of business done and growing investments in displays on rental, Mr. Sweny states.

"While the high productivity level of the plant has precluded liquidation of the loan as quickly as was anticipated, I can advise you that the point at which rental income will exceed maximum probable expenditures for new displays is now at hand. The bank loan, therefore, should tend to show a gradual but steady decline," he adds.

Capital expenditures for the year ended April 30, 1949, have been of a routine nature, chiefly for equipment and expansion of the Bulletin plant. While the major capital expansion program has been completed, it is still faced with the need for improved quarters for its subsidiary, Seaboard Advertising Co.

Seaboard experienced a fully satisfactory year and has again contributed substantially to the consolidated net profit, Mr. Sweny states. During the year, Seaboard operations were expanded by the development of a commercial paint division, which has been securing an increasingly large volume of business, and shows every promise of becoming a successful and profitable operation, he states.

The balance sheet was revised this year to consolidate the affairs of Federal Iron Works with those of Neon and Seaboard, rather than showing the shares as an investment. Federal Iron Works is a wholly-owned subsidiary which is not operative and which was acquired in order to secure an advantageous advertising site.

Mr. Sweny notes that an increasingly large number of employees are acquiring shares of the company.

Seaboard's claim for revision of standard profits was successfully concluded during the year and final adjustments were made to the Neon tax assessments during the War years. The company also wrote off against surplus account the "somewhat hypothetical value previously shown for franchises and leases."

MATACHEWAN CONSOLIDATED MINES realized an estimated net profit after taxes but before write-offs of $21,336 in the three months ended June 30, 1949, as against $8,847 in the corresponding period of 1948. The operating profit realized in the latest quarter was for the most part expended in development work which has been deferred. This development work is proceeding and consists of sinking the main shaft from the present lowest 1,800-ft. level to 2,300 ft. where lateral work will be commenced to search for the downward continuation of the present ore bodies and to endeavour to locate new occurrences.

Advertising

McGuire Advertising Ltd. (Windsor) reports campaign to begin in early fall for T. H. Taylor Co., Chatham (Ont.) milling firm. Trade journals and dailies will be used. In addition to Taylor's Quality Brand Cake and Pastry Flours, company will introduce a new line of cereals to be known as Tayco Foods.

• • •

O'Brien Advertising Ltd. (Vancouver) is producing "Periscope," new monthly house organ of Purves E. Ritchie & Son Ltd. of Vancouver and Kelowna, B.C., to send loggers, contractors, mining firms, etc. Trade journals and newspapers are also used to promote equipment for which client has distribution rights in B. C.

• • •

McKim Advertising Ltd. (Toronto) says presentation of "The Stromberg - Carlson Anniversary Model," combination radio-phonograph in popular price bracket marketed in company's 25th year in Canadian radio, will be backed by advertising campaign beginning in dailies Sept. 10, with 500-line follow-up ads between then and December.

• • •

Walsh Advertising Co. (Toronto) appointed to direct advertising for Griffith Laboratories Ltd., Toronto, makers and distributors of food formulas. As test campaign in an Ontario market, "Purified Spice Sets" will be promoted in local daily and by radio. The sets, including 12 popular spices, are distributed through home furnishing, gift and hardware outlets.

Maritimes, Ontario Gain In U.S. Tourist Travel

How fat a slice each province gets from the U. S. tourist melon is revealed in a report issued this week by the Dominion Bureau of Statistics.

As it had done previously in the early spring, DBS estimates overall 1948 receipts from U. S. visitors to be $270 millions. This week it distributed these receipts by provinces.

Here is what it found for the past two years:

	Percentage of Total 1947	1948
Maritimes	7.0	8.2
Quebec	18.6	17.9
Ontario	54.2	55.4
Manitoba	2.9	2.8
Sask.	1.5	1.6
Alberta	1.9	2.5
B.C.	13.9	11.6

As a factor in Canada's net balance of international payments, the tourist industry was a more effective medium last year than at any other period in history. This was so for two reasons:

1. As a result of Canada's Emergency Exchange Conservation Program, expenditures by Canadians south of the border were cut back from 1947's peak of $152 millions to $113 millions.

2. At the same time, spending of U. S. visitors to Canada continued to rise—up 12% from $241 millions in 1947 to $270 millions last year.

The resulting net credits were $157 millions in Canada's favor. That topped a previous record of $103 millions which had held ever since 1929.

Boosting of the tourist balance in Canada's favor is shown most strikingly by comparison with the year immediately preceding. It leapt ahead 76% over 1947 when the net balance was $89 millions in Canada's favor.

Nevertheless, in spite of official restraints, Canadians remain the most persistent border-crossing nationals in the world. Even with "travel rationing," Canadians spent $9 per capita visiting the United States last year. By comparison, American spending in Canada was not much more than $1.75 per capita, taking into account the larger population of the United States.

On the other hand, average expenditures per tourist do not vary much between Canadians and American when considered in the aggregate.

After making allowances for special categories of incoming Americans, such as commuters, summer residents, and "locals," DBS concludes that the average expenditure per "tourist" automobile was $63.22 last year.

This shows an increase over the $61.66 per automobile spent in 1947, when the wide variance between the various provinces was computed as follows:

Average Expenditure Per "Tourist" Car

Maritimes	$99.47
Quebec	65.88
Ontario	53.09
Manitoba	91.25
Saskatchewan	78.74
Alberta	126.32
British Columbia	85.30

This emphasis on the motor car as the index to Canada's business with U. S. visitors is justified by the fact that it occupies a much more prominent part in the tourist influx than it does in the travel of Canadians going south.

For the first time since the early war years, automobiles brought in more U. S. tourist dollars than all other methods of transportation combined. Here is how DBS divided the $270 millions receipts last year according to method of transportation used by the incoming Americans:

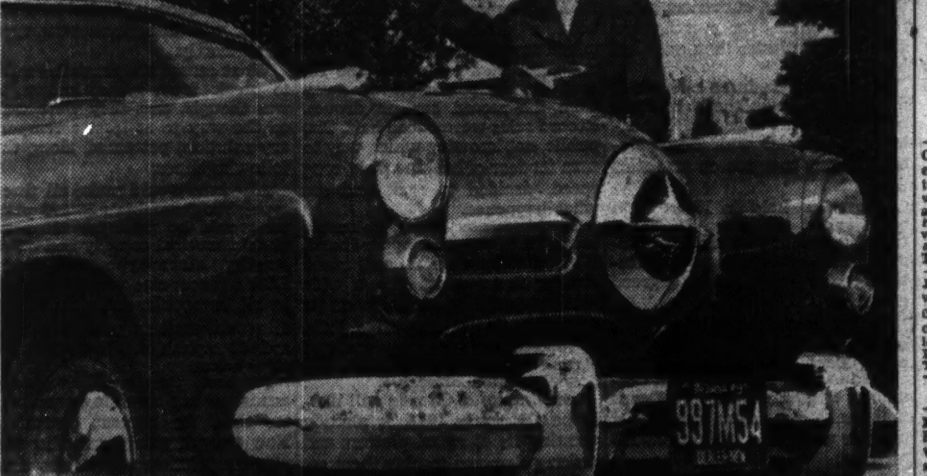
	Millions
Automobile	$141.9
Rail	55.9
Boat	16.0
Bus (excl. local bus)	20.8
Airplane	12.1
Other (ped. local bus, etc.)	23.1

Vickers Begins Venezuelan Ships

MONTREAL (Staff)—Keel was laid last week of the coaster Zulia, first of the six vessels being built by Canadian Vickers' Ltd. for the Compania Anonima Venezdana de Navegacion, large Venezuelan shipping firm. The coasters, deadweight capacity 650 tons, will be 170 ft. long, 30 ft. wide, draft of 11 ft.

President Luis Conzalo Marturet of the Venezuelan company noted at the keel-laying ceremony that Vickers secured the contract because it was the only company which promised delivery of the first two ships this winter. Vickers has obtained contracts totaling more than $35 millions from South American countries since the end of the war, according to T. R. McLagan, vice-president and general manager.

Studebaker's 'Next Look'



Studebaker which pioneered the "New Look" in automobiles, came out last week with the "Next Look." After popularizing the bold, squarish front end, Studebaker has reversed the field by redesigning 1950 models along rounded, aero-dynamic lines, featuring a propeller-type "spinner."

SIMPSON'S ENGLISH GABARDINE TOPCOATS

Each 59.50

From mill to you these fine topcoats are quality controlled to bring you the ultimate in fine tailoring, combined with superior English gabardine! They're tailored in Simpson's own workrooms to Simpson's own specifications . . . in the smooth-fitting English Bilton Slip-on style. Drop into Simpson's and try one on . . . feel their smooth comfortable fit, look at their outstanding appearance. Finished with all the attention to detail that marks a really fine topcoat. Choose yours now from Simpson's great start-of-the-season lineup!

- Smooth English Bilton Slip-on Style.
- Dressy Fall shades.
- Full size range.

Each 59.50

Simpson's the Store For Men—Second Floor

Simpson's

What Happens to Timber Now Export Quotas Off?

OTTAWA (Staff)—The uncertainty that underlies Canada's huge world-wide timber export business is highlighted by the Government's decision to remove export controls as of Sept. 6.

Falling off in export demand in 1949 has meant that the industry by and large has not been filling its export quotas. Under the control system, 40% of the output of each individual firm must be allocated to domestic use, the remainder could be sold abroad.

Recently the over-all proportion of output going into domestic use on the west coast has been 42% or 43%. Individual firms which normally market rough green lumber now probably put a larger volume of their cut into the home markets; larger firms with well-developed export facilities will be free to put a larger volume of their output abroad.

On the west coast there are no British orders on the books beyond the end of September. The last allocation of ECA funds covering British purchases was for the third quarter of this year. The amount was $6 millions. Until Britain has announced her dollar purchasing program under the new 25% cutback order, or until the results of the Washington talks are known, what's ahead for the last quarter of 1949 and for 1950 is highly uncertain.

On the east coast, present orders last mostly until the end of the year. There are a few orders which carry over into 1950. Fall is the normal time for placing of British business.

There has also been considerable hesitancy about U. S. purchasing.

Lumber supply to domestic users in Canada is not expected to be affected by the new order. Its chief impact on timber firms will be to reduce very substantially their present paper work necessitated in the past by the export controls.

Plan To Improve Standards In Cost Accounting

Moves to raise the standard of cost accounting in Canada to meet new demands of business and industry for more scientific management, more accurate cost controls and more competent accounting procedure are being planned by the Society of Industrial and Cost Accountants of Canada.

These plans will include modernization of educational courses, examination preparation and marking; closer co-operation with provincial education committees seeking improved standards designed to attract and interest student members and eventually make the degree of Registered Industrial Accountant more generally known and appreciated by Canadian industry.

Closer association with affiliated organizations in U. S., U. K. and Canada is also being sought.

The Association, presently organized in six provinces, is now organizing in the Maritimes. At its annual meeting a threefold growth in membership in the years 1943-49 was reported—from 892 members with 10 chapters in two provinces to 2,439 with 26 chapters in six provinces. Present membership is composed of 516 registered members, 676 general and 1,247 student members.

Officers elected at the annual meeting were:

Charles P. Dumas, (Montreal)—president; Norman Terry (Vancouver), J. B. Tennant, (Windsor), H. W. Blunt, (Montreal)—vice-presidents; J. B. Whelihan, (Edmonton)—secretary; G. I. Mackenzie, (Toronto)—treasurer; J. Nelson Allen, (Hamilton)—manager.

Record Sales For Hunt's Ltd.

Hunt's Ltd. is experiencing record sales to date, up somewhat from the 1948 previous record, The Financial Post is informed. Earnings are continuing at around last year's level.

Two new stores are to be ready by November—one on Adelaide St. in Toronto and the other in Weston, Ont. This will give company a new high of 40 stores.

Pastry sales accounted for most of the increased business this year, although the agency business in candies is also up, it is said. The Barrie and Orillia stores profited from the heavy summer holiday population.

Armand Smith, President of E. D. Smith and Sons, Ltd., Winona, Ont., announces the appointment of Douglas S. Watson, sales manager, to the Board of Directors. Mr. Watson has been with the company for 15 years.

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

CHARTERED ACCOUNTANT, experienced in financial, industrial and institutional accounting, presently engaged with large firm of chartered accountants, desires a position in industry or finance offering opportunity for advancement in return for ability. Single, age 27. Box 237, The Financial Post, Toronto.

JOURNALISM honor graduate, versatile, with special aptitude for promotional copy, seeks writing assignments. Ads., columns, public-employee relations copy, lectures, speeches. Full or part time. Inquiries invited. Smith, 37 Beatrice St., Toronto.

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MANUFACTURERS AGENT covering Province of Quebec industrial plants wishes additional line of top quality mill supplies or mechanical equipment. Please write Room 405, Canada Cement Building, Montreal.

WANTED TO PURCHASE

CASH BIDS made for quantities of mining stocks active or otherwise. Box 242, The Financial Post, Toronto.

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ACCOUNTANT

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FOR SALE, clear title, seven room older house in Oak Bay Municipality. Approximately ½ acre garden, secluded, close to golf course, beaches, yacht anchorage, shopping centre and convenient to business district. Suit young professional or business man with family. Address inquiries to M. L. T. Drake, P.O. Box 203, Victoria, B.C.

FOR SALE

FOR SALE CHARTER, Construction Company, authorized capital $40,000.00, completely organized, no assets, no debts—$100.00, phone Toronto, AD 7979.

LABOR ROUNDUP

BY RONALD WILLIAMS

Million Belong to Canadian Unions; Growth Mirrored By 70 Labor Days

This coming Monday, organized labor on this continent will observe the 71st Labor Day by holding meetings, marching in parades, making the season's last trip to the cottage or by just plain loafing.

Until recently it was generally believed that the first of these days of dedications to the achievements of labor was held in New York city in 1882. But according to the minutes of the first central labor body formed in Canada—the Toronto Trades Assembly, now known as the Toronto District Trades and Labor Council (AFL-TLC) — Canadians were celebrating Labor Day as far back as 1872. That was 10 years before the birth of Labor Day in the U. S.

Labor and Canada have come a long way since then. The average pay was 10c an hour and the workday 12 hours. Latest statistics show average hourly earnings are about 98c; half of all workers are on a five-day, 45-hour week or less.

The Canadian labor movement itself was born back in 1827 in Nova Scotia when a handful of British immigrant printers formed the first union. Today almost a million men and women belong to trade unions. There are well over 4,000 separate branches or locals. One out of every four of all non-agricultural workers carry union cards. In transportation and communication industries, about 60% are unionists.

Today unionism is big business. If the one million members only pay $1 a month dues (most pay more), that means $12 millions through union treasuries a year. Labor runs schools, co-operative stores, insurance and pension schemes and is trying to take an important role in the political life of the country.

As A. A. Mosher, president of the Canadian Congress of Labor says in his Labor Day Message: "Labor's growing status, its acceptance as a national institution, the recognition of its place and function in industry and the widening sphere of interests are all of the utmost importance to every citizen . . . ."

* * *

B. C. Loggers Threaten Strike

Except for a strike-laden situation on the West Coast, Canada's lumber and pulp and paper industry was all set this week for another year of industrial peace. In the East and the West, pulp and paper workers had already settled for no raise. In the East, the Communist-run Lumber and Sawmill worker's union, whose members fell the trees for Ontario's big pulp and paper industry, pulled a surprise move by doing the same when the party line called for raises no matter what.

But on the West coast, the ring of axes and the buzz of saws had a discordant note; the CIO Woodworkers, now shorn of former Communist leadership, was acting as tough as the Reds ever had. Last week their demands for 15c an hour, the 40-hour week and other benefits was rejected by a Conciliation Board. The Board also turned down company proposals for a wage cut because loss of export markets had lowered earnings.

In effect, the Board recommended renewal of last year's agreement (Labor member, Herbert L. Gargrave, formerly a top CCF member of the legislature, submitted a minority report) but because it was not binding loggers rejected it. The next step would be a government-supervised strike vote. This would take time. Meantime, there was a strong possibility that wildcat strikes might break out. A union official said if they do, they would be unauthorized. The union intends to comply with every letter of the B.C. labor Code which requires a government-supervised vote before any strike can be legally called.

* * *

Syndicates Going Political?

The French-Canadian Syndicate labor movement which startled the nation with a violent demonstration at Asbestos, is about to take another step along the road that appears to lead to a CIO-type of unionism. On Sept. 18, the Canadian and Catholic Confederation of Labor will hold its annual convention in Montreal. High on the agenda will be a proposal to set up a new political party.

This will be one of four alternatives to be considered. The others: support of an existing party; formation of a political affairs committee or continuation of present policy of no-politics. The political step is believed to be the direct outcome, first, of the provincial law which curbs union activity of municipal and school employees, and second, the asbestos strike itself.

Belated Settlement

After exhausting every avenue of conciliation and arbitration procedure, Algoma Steel Corp. and the CIO Steelworkers' union have signed. The basis is essentially the same as that agreed on three months ago by the other two of steel's "Big Three"—Steel Co. of Canada and Dominion Steel and Coal: the 44-hour week; 10c hourly pay raise (retroactive to April 23) pay for two additional statutory holidays (making eight) additional union security; extra holiday benefits.

* * *

Labor Briefs

Communist-run Electrical Worker's union claims 8c hourly increase won for 117 employees of Exide Batteries Toronto, bringing base rate for sweepers and cleaners to $1.02 an hour, plus company-financed insurance, sickness and accident plan.

* * *

Talk of strike action at Fort William's Canadian Car & Foundry plant has ended with an agreement giving about 500 employees a raise of 5c. Union involved was the International Association of Machinists. Contract will run until March, 1951.

What's Britain's Future In The Sterling Area?

(Continued from page 1)

ternal problem of high prices, costs, wages, productivity, etc.

(2) The equally serious drain made on Britain since the war by her sterling area connections.

Just a few days ago, Sir Robert Sinclair, wartime Minister of Production and now president of the Federation of British Industries, disclosed the extent of this drain. He said:

"It is sometimes argued that because we achieved equilibrium in our balance of payments at the end of 1948, our problem has nothing to do with prices but is essentially a financial problem.

"Published figures show that while in 1948 we had a deficit of £300 millions with the United States, covered by Marshall Aid, we had at the same time a surplus of £300 millions with the rest of the world.

"The surplus however is not a real one.

"It includes some £210 millions of 'unrequited' exports, that is, exports sent to liquidate sterling debts accumulated during the war. The balance of £90 millions was required to cover our capital investment in colonies and dependencies overseas.

"In neither case did these exports earn the wherewithal to buy imports."

In some quarters it is being charged that one important reason why this drain has been permitted to continue is the need for maintaining full employment in the U.K. The point made is that many of these exports could not have been marketed on a competitive basis in dollar markets or in markets which had to "earn" their means of payment. They were too highly priced.

Had Britain not permitted heavy withdrawal of sterling balances in the form of unrequited exports the alternative would have been an increase in her domestic unemployment.

But it is also stated that apart from supporting an artificial and non-competitive export market, there is a direct drain on Britain's dollar position because of the fact that roughly one-fifth of all British exports represents "dollar" content. Put another way, even the goods which Britain exports to sterling countries, are said to have in them a 20% dollar "content."

Whether or not this is true, the present expectation is that at Washington, Britain will tie this sterling problem right into the "world peace and prosperity" formula set down this week by President Truman at Philadelphia when he promised U.S. "friendliness and helpfulness" in solving U. K. problems.

Britain is expected to seek U. S. aid, for example, in pooling her "empire" defense costs. These costs cover a large part of the sterling area. They are put down as part and parcel of the dollar drain which goes along with keeping countries like India and Pakistan free from Communist domination.

It is thought here that the minimum requirement for U. S. action would be an undertaking by Britain to do something about getting her internal cost and price picture into line. One high-ranking Canadian expressed the utmost satisfaction at the recent Cripps announcement that over-all U. K. Government costs were to be cut by 5%. He said he believed that this action could be attributed almost directly to the line of approach taken by the Canadian delegation at the recent London talks.

Stopping Drain on U. K.

Assuming the British are prepared to go along with internal adjustments of this nature (including sooner or later revaluation of the pound and other European currencies in relation to the dollar), the way would then be open to have the United States undertake some commitment to restore confidence in the pound.

It is at this point that the whole question of Britain's future relationships as banker to the sterling area would arise.

What's the use of making internal adjustments if sterling area demands are going to continue to bleed the patient to death?

If the larger sterling area is to be discussed, where is the new line to be drawn as to responsibilities and contributions?

There are some doubts here at Ottawa as to whether the British have really done a sufficiently searching examination of this problem to enable answers to be found at Washington.

It is known that this subject was not officially discussed at top level during the London talks. But it was very vigorously discussed in private and other discussions.

Whether the British have followed it up, and with what result, is one of the important question marks which will only be answered in the next fortnight.

Even if no answer is forthcoming at Washington, it is believed here that this sterling area problem is a fundamental cause of British difficulty and is something that must be faced if there is to be a satisfactory solution to the present crisis.

What it portends for the future of the sterling area empire and market is an imponderable of very great import to Canada.

Edmonton Sets Sights On New 'Master Plan'

From Our Own Correspondent

EDMONTON—To head a new civic department of town planning and to be executive manager of the town planning commission, Noel Dant has been appointed at a starting salary of $4,500 a year plus cost-of-living bonus. Dant, 35, English, leaves Chicago as senior city planner there and will report here for duty soon after Oct. 1.

Said Mayor Ainlay: "The new planner's ideas fit in well with methods and theories of the two McGill University planners, Prof. John Bland and Prof. Harold Spence-Sales, who last week began a general survey of progress in planning for arterial traffic, zoning, industrial development and public buildings."

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OTTAWA QUEBEC SHERBROOKE

PRICES

(Continued from page 1)

declined three points, electric equipment and fixtures 3.8 points; paint and glass group rose 7.7 to a new peak of 186.1; other groups were unchanged from June.

Brass and copper sheets, rods and tubing showed some upward adjustments, with increases ranging between ¼c and ½c lb.

Galvanized wire products have been reduced despite recent rise in zinc. Decline is attributed to soft spring metal market.

Silver price advanced for first time since February—up 1½c to 73c N. Y. for foreign origin silver. All new U. S. mined silver is still purchased at fixed price of 90½c by the government.

Citrus juice shortage is to be relieved by shipment of some 250,000 cases from British West Indies reports Canadian Grocer (Maclean-Hunter). U. K. Ministry of Foods has agreed to give Canada surplus stocks.

Ont. Growers Fly Peaches

(Continued from page 1)

1% as against an average 8% spoilage when sea-borne.

How Fielding Co. entered the picture is just "one of those things."

Head of the firm, John Fielding, came to Canada 18 months ago as an immigrant from U. K. with agencies for U. K. engineering equipment in his pocket.

Looking for sales led him to Beamsville. He had what the growers wanted and this summer put in irrigation schemes on half a dozen of the Beamsville co-operative's orchards.

The growers told him about their air marketing idea and after doing some digging around among his business contacts he actively promoted the idea.

Now he's also in the fruit business, as the growers' broker in Toronto. He started off with one account in Bermuda three weeks ago. This week into his Toronto office came a representative from Bermuda, offering him five new accounts including one from a grocery supermarket organization in the island.

With only six weeks of the peach season to go, Fielding isn't looking for much more business this season.

But next year, he says, should be a bumper year.

"And we won't stop at peaches. If we can sell them we can probably sell a whole lot of produce by air. We've definite plans for trying out plums, pears and grapes and we'll be taking a look at some fresh vegetables as well."

Currency difficulties have so far not entered the picture. The Bermuda authorities have readily granted required import licenses since the importers concerned have American dollar surpluses. No difficulty is expected in the case of either Belgium or Switzerland. Fielding is still awaiting word on the British deal.

Oversubscribe Canada's 2¾% Issue in U. S.

A rapid oversubscription was seen to the new Canadian Government bond issue in the United States last week. The issue consisted of $100 million 2¾% Government of Canada bonds due Sept. 1, 1974, and is payable in U. S. dollars: It was offered at $100.25 to yield 2.736% by a large group of U. S. and Canadian investment bankers headed by Morgan Stanley & Co.

Bonds were quoted at $100.50 bid to $101 asked shortly after the issue, a premium over the issue price.

Proceeds will be advanced to the Canadian National Railways to redeem $57,728,500 of 5% bonds due Oct. 1, 1969, called for payment on Oct. 1, 1949, and $17,338,000 5% bonds due Feb. 1, 1970, to be called for payment on Feb. 1, 1950. The Canadian Government will also advance the necessary funds for the redemption of $19 million Harbor Commissioners of Montreal 5% bonds due Nov. 1, 1969, to be called for payment on Nov. 1, 1949.

All the bonds to be redeemed are payable in U.S. dollars and will be redeemed at 105%.

Sale of the new bonds will result in an annual saving of $1,953,325 in interest charges payable in U. S. dollars, it is stated.

Minas Basin Switches Mill

MONTREAL (Staff) — Minas Basin Pulp & Power Co. has switched to production of paper and box board at its mill at Hantsport, N.S., The Financial Post is informed.

The company has adapted for board production a machine which has been producing sheathing papers, will have a 24-hour capacity of 50 tons. The process installed enables use of a proportion of waste paper and old corrugated paper for paper and box board.

Company's wholly owned subsidiary, Canadian Keyes Fibre Co., has developed some new products which company reports are receiving excellent response. This subsidiary has tripled its capacity in the past two years. Despite about a 50% drop in export business for its molded plates, greater sales have been made in the Canadian market.

T. Eaton (Western) Ltd. Store Being Enlarged

EDMONTON—A third story will be added at once to the department store here of T. Eaton Co. (Western) Ltd. Contractors are Christensen & Macdonald. The addition will increase the store's floor space 54,000 sq. ft. to a 216,000-sq. ft. total.

THE PARTICULAR CIRCLE OF CONNOISSEURS

PUNCH
A PLEASURE TO SMOKE
PUNCH CIGARS

"PANETELA"
Also "Perfectos" and "Lilies"

"TO REMOVE CELLOPHANE SIMPLY LIFT END OF CIGAR BAND, AND PULL."

Here's Dollar-Saving Record

Here are details of how dollar-saving controls have operated in the first half of 1949 as compared with corresponding periods in 1948, 1947:

(Millions of Dollars)

	—First 6 Months of—		
I. Imports of Controlled Items			
(1) Banned Consumer Goods (Sched. I)*	1949	1948	1947
(a) Hard currency imports	42.2	26.7	56.4
(b) Soft currency imports	5.0	2.1	4.6
	47.1	28.9	61.1
(2) Consumer Goods on Quota (Sched. II)			
(a) Hard currency imports	63.6	48.3	142.1
(b) Soft currency imports	80.4	58.6	39.0
	144.1	106.9	181.2
(3) Capital Goods (Sched. III)			
(a) Hard currency imports	327.9	297.7	297.8
(b) Soft currency imports	38.4	23.9	10.6
	366.3	321.6	308.4
(4) Total Imports Under $ Controls			
(a) Hard currency imports	433.7	372.8	496.3
(b) Soft currency imports	123.8	84.6	54.3
	557.5	457.4	550.6
II. Imports Not Under Control			
(a) Hard currency imports	635.9	583.1	528.0
(b) Soft currency imports	216.0	229.6	178.1
	851.9	812.7	706.1
III. Total Canadian Imports			
(a) Hard currency imports	1,069.6	955.9	1,024.3
(b) Soft currency imports	339.8	314.2	232.4
	1,409.4	1,270.1	1,256.7

*Of the Emergency Exchange Conservation Act.

Look for It Here

Sept. 3, 1949

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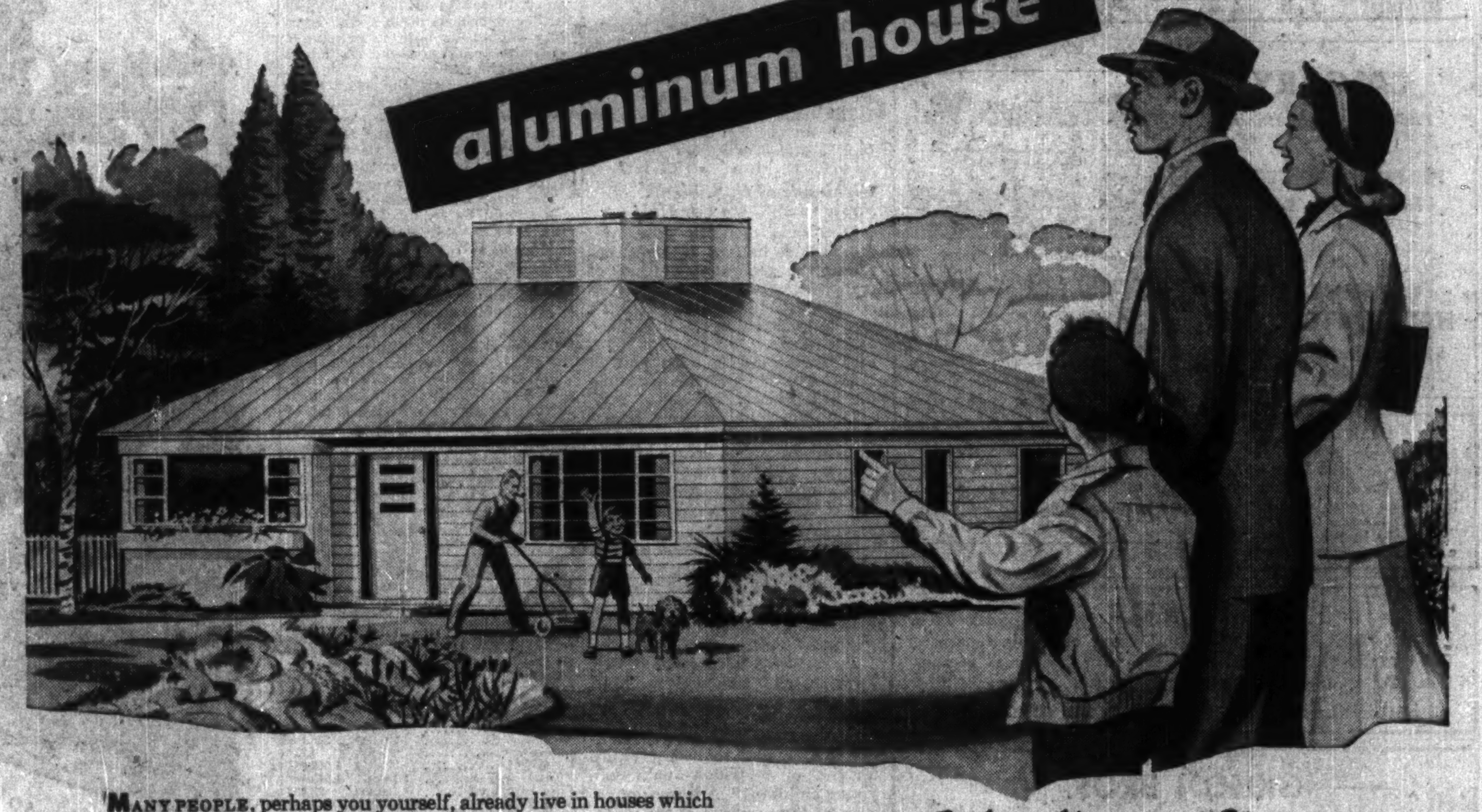
One of these days you'll live in an...



MANY PEOPLE, perhaps you yourself, already live in houses which are as much "aluminum" as others are "brick" or "stucco".

Just look at the amount of aluminum which already is going into Canadian buildings:

Roofing and Siding — Last year alone about 100 Canadian fabricators shaped thousands of tons of aluminum for use as roofs and exterior walls.

Windows — Today a score of Canadian companies are making aluminum windows and sash which have unique advantages: they never warp, swell, shrink or crack, and never need painting.

Insulation — Aluminum has outstanding insulating properties. Already numerous Canadian companies adapt it to keep homes warm in winter, cool in summer.

Gutters, Flashing, Trim, Architectural Hardware — Because aluminum is attractive and lasts a lifetime, dozens of Canadian manufacturers are now kept busy making it into all sorts of forms for use outside and inside the house.

ALCAN ALUMINUM

ALUMINUM COMPANY OF CANADA, LTD.
Producers and Processors of Aluminum for Canadian Industry and World Markets
MONTREAL • QUEBEC • TORONTO • VANCOUVER • WINDSOR

Why Aluminum?

Aluminum is becoming more and more popular for use in home building because . . .

. . . it does not rust . . . is practically indestructible. Therefore maintenance costs stay low.

. . . it is light and easy to handle, is very strong, needs only correspondingly light supports.

. . . it has an attractive natural finish, and can be painted if desired.

. . . like other building materials, aluminum can be used in houses of any design.

Ask your architect or contractor about aluminum for building. He knows the story of Alcan's continuing research into its uses. So he can tell you about its overall advantages and how you can profit from them when building or remodelling.

INVESTMENTS THIS WEEK

Mach., Pulp & Paper Stocks Show Best Gain in August

Although Canadian and U. S. stock markets have settled back slightly from their highs of the middle of August, prices, on the average, show a small gain for the month. Trading has quieted down except for one or two special situations.

Caution continues to be predominant influence in investors' actions. Investment opinion remains divided on the immediate future.

Many analysts continue to regard shares as underpriced from an earnings and yield standpoint and so feel that the stock market is in a good position for a further upward movement no matter what happens at the U.K.-U.S.-Canada conference in Washington which starts Sept. 6.

Others feel that the British economic situation is one factor which will put a damper on stock market enthusiasm and that there may be a downward trend if results of conference are disappointing.

Favorable signs for the market are seen in the tendency for trading to drop as the market settles back and in the high level of the short interest, particularly in New York. While the large short interest indicates a bearish tendency on the part of these investors covering by them would tend to act as a buffer to any downtrend in the market.

Canadian stock markets generally have shown a little better rise than New York in the past month. Since July 28, Canadian stocks have risen 2.1% as measured by DBS index of securities prices while U. S. stocks have risen only about 0.9% as measured by the Dow-Jones industrial average.

The individual Canadian stock groups show widely varying results.

Best net market gain was shown by the machinery and equipment group of stocks which show a rise of 5.1% for the month.

Second best net gain was shown by the highly volatile pulp and paper group. This group had shown one of the biggest drops in the market last June.

Four other groups—beverages, building material, transportation and power and traction — have shown a better rise than the 2.1% rise in the average for all stocks. The beverage group is up 3.9%, transportation up 3.7%, power and traction up 3.2% and building materials up 2.6%.

The other seven groups—milling, oils, textiles and clothing, food and allied products, industrial mines, telephone and telegraph and banks—show a smaller rise than the 2.1% average.

Smallest rise of all is shown by two groups — food and allied products and industrial mines—which show a net gain of 0.2%. These groups held up fairly well in the drop earlier this year.

Variations in the actions of the indices only indicate a group of stocks to investigate. The action of individual stocks within a group may vary widely. Investors' real opportunities for profits or for minimizing losses lie in the selection of individual stocks.

D. B. S. price indices movement during August shows as follows:

D.B.S. PRICE INDICES

Group:	Aug. 25	July 28	Incr. %
Mach. & equip.	211.2	200.9	5.1
Pulp & paper	232.9	223.6	4.2
Milling	91.2	89.5	1.9
Oils	68.0	66.8	1.8
Textiles & clothing	206.2	203.8	1.2
Food & allied prod.	114.0	113.8	0.2
Beverages	308.4	296.7	3.9
Bldg. materials	140.4	136.9	2.6
Industrial mines	89.5	89.3	0.2
Utilities	119.6	116.7	2.5
Transportation	158.9	153.2	3.7
Telephone & Teleg.	108.7	108.2	0.5
Power & traction	112.1	108.6	3.2
Banks	134.2	132.6	1.2
Total	107.8	105.6	2.1

* * *

Canada Bread Stresses Narrow Profit Margin

The small and narrowing margin of profit in the baking industry is stressed by A. V. Loftus, president of Canada Bread Co., in the company's annual report for the year ended June 30, 1949. He states:

"The rapidly rising costs have more than offset any increase in the selling price of our merchandise and the results of the current year's operations have once again refuted any suggestion that your company together with others in the industry, has taken advantage of the situation created by the removal of wartime controls. It is to be hoped that a legitimate industry endeavoring to supply a necessary service to the public may be permitted to operate without unjustified criticism."

Although sales were at record level, cost of operation had increased to such an extent that the profit margin was reduced to 1.5% of sales as compared with 1.7% of sales in the previous fiscal year.

Canada Bread common is currently around $2¾ a share bid as against the 1949 high of $3½ and low of $2⅝ a share and a 1946 high of $9½ and low of $5 a share.

* * *

Annual Reports

Loblaw Groceterias Co. has made extensive use of gatefolds in its annual report for the year ending May 28, 1949, in order to give large page presentation of various points. The report is again attractive in appearance and well illustrated with pictures of various operations. Each $100 of sales went: $83.45 for merchandise, $9.24 to employees, $1.99 for miscellaneous and sundry expenses, $1.83 for occupational expenses including rent, etc., $1.35 for income taxes leaving $2.14 profit of which $1.19 was paid to shareholders and $0.95 left in the business.

* * *

Bruck Mills Ltd. 1948 annual report is again a winner of the "highest merit award" for distinguished achievement in annual reporting awarded by The Financial World. Bruck has been similarly honored three times before, won "best of the industry" award over 1,500 other contestants from the U. S. and Canada in 1946.

* * *

William Neilson Ltd. has now sent shareholders a 1948 report which is attractive in appearance. Originally it was stated reports would only be available to shareholders and upon request. President Charles Neilson's comment makes no mention of the appearance in this year's balance sheet of the item "investment in shares of other companies, at cost" which amounts to $1,978,717.50. There was no such item in the Dec. 31, 1947, balance sheet, as disclosed in the prospectus covering its issue of 5% preferred shares An item of that size merits explanation.

* * *

Canadian Wirebound Boxes Ltd. has added a chart showing distribution of sales dollar to its annual report for the fiscal year ended Apr. 30, 1949. This showed 56.84% going for materials and supplies, 21.21% for payrolls, 10.55% for selling and operating expenses, 4.47% for federal and provincial income taxes, 2.70% for capital expenditures, 1.80% dividends to shareholders, and 2.43% retained as working capital.

* * *

Average Yield on Stocks Reverses Its Downtrend

Reversing the downtrend of the past 10 weeks, the average yield on 112 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of Aug. 29, rose by .03 to 6.28% (6.46% a month ago and 5.61% a year ago).

The yield on mining stock was higher by 0.11 at 6.40% (6.56% and 5.81%).

Common stocks showed a small gain in yield, being up .02 at 6.51% (6.72% and 5.77%).

Preferred and "A" stocks lost .04 at 6.43% (6.59% and 5.57%).

The bank stock group lost the minimum fraction of .01 at 3.89% (3.96% and 3.96%).

* * *

Dividends of U. S. Firms Show 11.2% Up For Half

Dividends of U.S. companies in the first half of 1949 did not follow the general downtrend of corporate earnings. For the first six months of 1949 cash payments on shares listed on the New York Stock Exchange were 11.2% higher than in the first half of 1948 ($1,853 millions against $1,667 millions).

The individual picture is not quite as bright as the over-all picture. In eight of the 27 industrial groups, dividends ran under 1948 level while dividends in 155 issues (about 15% of those covered) were cut or suspended this year. About 78% of all this year's dividend gains were accounted for by just five groups.

* * *

Investment Results Show Value of Tailored Program

In August, 1939, Barron's (U.S. business and financial weekly), conducted an investment contest based on the question "How would you invest $100,000, assuming this amount to be the entire fortune of a widow with two young children?" A review of results of the program of the prize-winners 10 years later shows:

(a) Each prize winning contestant's program preserved the widow's legacy intact.

(b) At mid-June, 1949, the list of each of the prize winners, on the average, was worth more than $114,000.

(c) During the period the widow enjoyed a relatively large income from her investment. This income in the past 12 months alone, with one exception, ranged from between $4,434 to $9,265. The one exception reflected the fact that one contestant last August decided the widow should no longer hold equity issues and advised sale of all common stocks and holding in cash.

(d) Most of the contestants back in 1939 stressed the fact that the problem permitted little, if any, leeway for speculation. One man stressed that investments, if they are to increase in productiveness over a period of years, must be geared to future growth of industry.

All can find justification for the policies pursued and securities selected in the results.

Tailoring investments to suit circumstances is a prime problem of investment advisors. All investors should realized that an investment which may be suitable in one particular set of circumstances for one individual may not be the proper investment for another under different circumstances.

Offer $5 a Share To Com. Holders Cuba-Can. Sugar

Holders of common shares of Cuban-Canadian Sugar Co. have received an offer to purchase their shares at $5 each in U. S. currency or the Canadian equivalent. Name of the purchaser is not disclosed. Unconfirmed reports say they are "Cuban interests."

Holders of over 50% of the outstanding 78,430 common shares, par $5, have already accepted the offer and made it a condition of sale that the purchaser would extend the offer on exactly the same basis to all the other shareholders, President Jorge A. Hernández advises shareholders.

The purchaser has deposited irrevocably with Montreal Trust Co., 511 Place d'Armes, Montreal, Que. sufficient funds to purchase the balance of the shares outstanding not already acquired.

If holders decide to accept the offer, stock certificates should be forwarded, properly endorsed for transfer in blank with signature guaranteed by a bank, trust company or member of a recognized stock exchange, to the trust company together with a form of letter of transmital.

Latest available earnings statement shows that the company had a net profit of $174,171 for the fiscal year ended June 30, 1948. This was equal to $2.22 per common share as against $2.31 the previous year.

Recently, common shares jumped in price within a few days from around $2¼ to $4½ per share in trades on the over-the-counter market.

Flour Millers' Net Profit Seen Down at Least 33 1/3%

Earnings of Canadian flour milling companies for the fiscal year ending this summer are likely to show a drop of at least 33 1/3% from the previous fiscal year, with some showing a larger drop. That is the opinion of milling company executives for the industry as a whole, but all were loath to disclose results for their own company before they are sent to shareholders.

One bright spot is seen in the fact that most other types of business of the flour millers still remain profitable. On the volume of this type of business will depend the actual cut to be shown in profits.

For the coming year, flour milling outlook is said not too bright.

Here's the situation facing flour millers:

(1) The export situation is bad. Export business is not only down in volume but also the profit margin is said narrower. The export situation, of course, stems to a great extent from the world currency situation.

(2) Domestic business, by reason of the limited export business available, has become highly competitive as millers endeavor to get business in order to keep mill operations up. Price cutting has developed in the domestic field, particularly for bakers' business, and this is described as "suicidal" so far as miller's profits are concerned.

In the coming year millers expect the above two factors to continue to have an important bearing on profits. In the export field the United Kingdom contract has already been cut 1/9th or to 400,000 tons this crop year as against 450,000 tons last year. Export business to other markets will depend to a large extent on the results of the U. K.-U. S.-Canadian conference in Washington this month.

If price cutting continues and intensifies in the domestic field, millers will expect to show a substantial drop in profit from the last fiscal year, they say.

Wheat flour production in Canadian mills for the 11 months to the end of June amounted to 18,886,349 barrels, 15.6% below the comparable figure for the previous year 22,372,427 barrels. While figures for July were not available, Dominion Bureau of Statistics stated that it would be possible to end the present crop year with an output of more than 20 million barrels, but that this would be the smallest output since 1941-42.

Mills reporting June operations had a total milling capacity of 98,650 barrels per 24 hour day and, over a 26 day working period in the month, they operated at an effective rate of 64.9%, DBS states.

Wheat flour exports for June amounted to 681,763 barrels, a drop of 35% from the exports of 1,051,034 barrels for June 1948. This brought the 11 months total exports of wheat flour for the 1948-49 crop year to 10,056,875 barrels, 22.3% below total exports of 12,945,098 barrels for the 11 months of 1947-48.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOMINION ELECTROHOME INDUSTRIES LTD., Kitchener, Ont., net profit was $44,271 for the year ended April 30, 1949, down 52.9% from the previous year's net of $93,805.

In its radio and furniture fields, the combined dollar value of sales in 1948-49 were slightly greater than in 1947-48 and the combined dollar profit was slightly less, President Arthur B. Pollock states. In the electrical appliance and metal products division, dollar sales were down slightly but "the reasonable profit (approximately 4%) in the earlier year was succeeded by a substantial loss in 1948-49" and this offset the profit of the other two divisions.

The Dominion's U. S. dollar austerity program so severely reduced American dollars available for washing machine and ironer assembly that all funds were used by April 30, 1948, and no washers or ironers could be produced or sold through the whole of the fiscal year May, 1948, to April, 1949.

The six volt direct current motor for automobile heaters, which was started in May, 1948, proved to be a difficult field to enter as rapidly as was necessary to fulfill commitments which had been made while competition developed very quickly and brought "unusual" price conditions. Most of the loss incurred was suffered in the first eight months of operations.

By building the necessary tools and dies, the manufacture of Electrohome washing machines has been resumed and machines, with approximately 70% fewer U. S. dollars included, have been shipped during June, July and August. With the additional overhead and gross markup which can be obtained from this operation the appliance part of the business will be in a much healthier state. No specific plans to re-enter the ironer field have yet been made, Mr. Pollock states.

The company is planning to expand to the allied field of small a-c motors' manufacture and with the additional business to be obtained thereby and the earning of further overhead dollars, the company should be able to achieve a profitable operation on its motor business, he states.

Operations for the first two months of the new fiscal year have been profitable which contrasts sharply with the loss for May and June, 1948, Mr. Pollock states. Business already booked for the balance of the year 1949 looks very healthy.

The first Electrohome television sets should be in the field in late August or early September. For the balance of 1949, activity in this field will be confined to learning as much as possible from actual sales and consumer use of a comparatively small number of sets, he states.

The occasional furniture business maintains its volume and a new table designed by the Charak Furniture Co. of Boston along with further exploration in the field of modern occasional furniture, will feature fall activities.

Fan business has been quite good this summer and an early start in Winter Air Conditioner merchandising should mean greater dollar volume of sales in 1949 than in 1948, Mr. Pollock adds.

INCOME ACCOUNT

Years Ended Apr. 30:	1949	1948
Net earnings	$143,742	$230,110
Less: Deprec.	64,039	57,314
Bond interest	9,667	10,667
Prov. for taxes	25,765	68,324
Net profit & surp.	44,271	93,805
Earnings per Share and Dividend Record:		
Common	$0.44	$0.94
None paid.		

CONDENSED BALANCE SHEET

As at Apr. 30:	1949	1948
Cash	$1,311	$1,604
Accts. rec.	201,409	336,194
Life ins., c.s.v.	7,983	4,914
Inventories	925,374	1,002,898
Total curr. assets	1,136,077	1,345,610
Prep. exp., etc.§	30,106	28,536
Misc. assets	1,862	2,119
Fixed assets*	372,455	362,717
Total assets	1,540,500	1,738,982
Bk. ln. & overdraft	291,516	366,844
Accts., tax, etc., pay.	407,189	557,312
Total curr. liabs.	698,705	924,156
Funded debt	225,000	250,000
Capital stock	26,500	26,500
Capital surplus	144,751	144,751
Earned surplus	445,544	393,575
*After depr. of	690,820	626,889
§Incl. in curr. assets in co's report.		
Working capital	437,372	421,454

Sales At Top Earnings Off For Steel Firm

Sales of Burlington Steel Co. are on a par with last year's record operations, President F. C. O'Brien informs The Financial Post. Earnings, however, are down slightly mainly because of the shorter working hours and upward wage adjustments put through this April.

Demand for company products continues far ahead of capacity and backlog of orders represent anywhere from three to six months' full operation for different products. The raw material supply—steel scrap and rails—is much improved from last year. Steel rails in particular are more readily available from Canadian railways this year. Approximately $300,000 is being spent this year on new and improved equipment, Mr. O'Brien says.

In 1948 net profit reached a record $336,323, equal to $2.40 a share and compared with $206,045 and $1.47 respectively in the previous year. Tonnage of steel rolled hit a record of 53,369 tons despite shortage in scrap rails.

Parking Meter Profit Sweetens Garage Fund

From Our Own Correspondent

EDMONTON—Although they once bitterly opposed parking meters some businessmen are now asking civic officials to install them in front of their premises.

After a year's test, $73,586 has been collected from the meters. In addition, 50-cent violation fines have brought in considerable revenue not yet disclosed.

Of the $73,586 total, $31,323 has been paid to the meter company towards a $71,237 bill for the machines and their installation. The remaining $39,914, after deduction of maintenance costs, goes to a city fund to provide off-street parking. It is believed this parking fund now totals between $15,000 and $20,000.

Ont. Steel Products Plants Near Capacity

Operations in nearly all departments of Ontario Steel Products Co. are near capacity and volume of sales has been maintained at very satisfactory levels, General Manager E. S. Byers informs shareholders.

Demand is kept up by the present high level of motor vehicle production.

Oil-busy Edmonton To Get Wider Roads

From Our Own Correspondent

EDMONTON—In a $600,000 provincial highway paving program this season, Edmonton is to get four-lane arterial roads south and west of the city and a two-lane road north. Included is widening of paving between the oil loading station of Nisku, 14 miles south of the city,

Sound Security
Substantial Return

Columbia Cellulose Company, Limited, a wholly owned subsidiary of Celanese Corporation of America, is building a plant in British Columbia to produce high alpha pulp for the manufacture of textiles and plastics. This pulp is to be produced under contract for the parent company. We offer as principals:

Columbia Cellulose Company, Limited
General Mortgage Bonds, 5%, Series "A"
To mature July 2nd, 1968
Denominations: $500 and $1,000
Price: 100.50, to yield over 4.95%

Progress report on plant construction furnished gladly upon request. Mail orders receive prompt attention.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
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BOX 239, THE FINANCIAL POST, TORONTO

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BOX 221, THE FINANCIAL POST, TORONTO

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"A sound idea and the determination to carry it through — those are sure passports to success in Canada today where there are so many interesting opportunities in so many different kinds of activity" — says MR. LESLIE BUTCHER, of Windsor, Ont.

Mr. Butcher — member of Canada's 1936 Olympic basketball team — after returning from college in the U.S. and being manager of a local insurance office, started his own Butcher Enterprises. Their development provides many examples of this young Canadian's energy and enterprise. They include: a unique and successful service in the wrapping of products for shipping; and the modernization of the Windsor Arena to present outstanding sports and entertainment events with great success.

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Abitibi Head Gives Views On Lakehead Log Question

Large scale sawmill operations in the Thunder Bay district of Northern Ontario are not economically feasible because there are not sufficient large-sized trees in that area, D. W. Ambridge, president of Abitibi Power & Paper Co. and of Provincial Paper Ltd. states in a letter to employees at the Head of the Lakes this week.

Mr. Ambridge was commenting on the publicity received lately on subject of the lumbering industry in that area "inasmuch as the well-being of your district and of Canada depends very largely on the continued operation of the pulp and paper industry."

(At Fort William, Great Lakes Lumber & Shipping Co. has threatened to close down its sawmill on Nov. 21 unless sawlogs become available. The mill, with 26 portable mills operated by the company, has an annual capacity of 125 million fbm.) (The Financial Post, Aug. 27.)

"The principal sawmills in Canada which can and do produce lumber economically, are all in districts where enough big trees are available," Mr. Ambridge states. "If the cost of producing enough suitable logs in the Head of the Lakes district is more than the sawmill operators can pay and compete with sawmills elsewhere in Canada, I do not see what the paper companies can do about it. There is no way that I know of to maintain an industry in good health unless it can produce a good product at a price which attracts buyers."

Referring to statements on the problem of bud worm damage, Mr. Ambridge stated: "The bud worm attacks only the balsam and white spruce in a forest. Very little balsam is used in sawmills and there is only about 8% of white spruce in the forest areas at the Head of the Lakes. I just do not know how the salvage of bud worm killed trees can help the sawmills."

"The sawmill operators in their publicity imply that the paper companies are big and that therefore they have succeeded in getting far more wood than they actually need, and that this is, in effect, what they call a 'monstrous monopoly.'

"The reason why the pulp and paper companies are big is that you cannot make paper or pulp cheaply enough to compete in world markets unless you make it in big mills," Mr. Ambridge continues.

"A big mill like Thunder Bay (at Port Arthur), for instance, uses up more than 100,000 cords per year. If this mill is to be able to run not only this year but generations to come, as we hope it will, then there must be set aside for the use of this mill an area capable of growing 100,000 cords every year.

"The foresters tell us that in this part of the world it takes 2,000 square miles of forest land to support a mill like Thunder Bay.

"That is why paper companies are big, and that is why they must have big limits.

"The competition which is bothering the sawmills is also being felt by the pulp and paper companies.

"As all of you know, the pulp mills on the West Coast are competing fiercely with us here in the East. The West Coast mills have a tremendous advantage in that their wood is so much cheaper than our wood, and this in turn is largely because their trees are so much bigger than ours.

"Because of this West Coast competition, pulp prices have been very much reduced and many pulp mills in Ontario are either shut down or are only working part time. So when you hear from the sawmill operators that they are having their troubles remember that your own company has just recently been forced out of the unbleached sulphite market and has had to shut down pulp production at Sault Ste. Marie. Last year, as you all know, we had to stop producing pulp for sale at our Fort William mill and at Provincial in Port Arthur.

"Together with the Provincial Government, all of us in the Abitibi Company are engaged in the great task of maintaining our limits in a continually productive condition so that our mills may have a dependable supply of pulpwood and so that the thousands of people who depend on these mills may have steady jobs, decent wages and security in their old age," he states.

Offer $11 Millions Of Manitoba Bds.

A new issue of $11 millions Province of Manitoba debentures is being offered by a syndicate of investment dealers and banks headed by Wood, Gundy & Co. and including A. E. Ames & Co., Dominion Securities Corp., Royal Bank of Canada and Canadian Bank of Commerce.

The new issue consists of $2,500,000 2¾% debentures due Oct. 1, 1950-59, which have been sold privately, and $8,500,000 3% debentures due Oct. 1, 1965, which are being offered at $99.25 and accrued interest to yield 3.06%.

The bonds were offered by competitive tender and the province received a price of $98.613. Four bids were made, the next highest being $98.456, and the lowest being $97.03.

Proceeds are to refund treasury bills in the amount of $11 millions outstanding for the following purposes:

Manitoba Power Commission $4,590,000, Manitoba Telephone System $2 millions, Pine Falls Hydro Electric Power Plant, $1,910,000, Provincial roads and highways $2,500,000.

Preliminary demand for the new issue is understood to be good.

$50.4 Millions For Roads Gives Quebec Net Deficit

MONTREAL (Staff) — Although a surplus of $33.8 millions was shown on ordinary account, the Province of Quebec ended up with a net deficit of $31 millions after taking into account $64.8 millions spent on capital account in the fiscal year ended March 31, 1949. Final figures were released last week by Provincial Treasurer Onesime Gagnon.

Of the capital expenditures, provincial road construction got the largest chunk—$50.4 millions, not including $1.9 millions for bridges, $2 millions for mining roads and $1.4 millions for colonization roads.

Total revenues amounted to $194.5 millions, and ordinary expenditures $160.7 millions, including $18.2 millions interest, sinking fund, amortization and other expenses in connection with public debt.

Revenues from taxation totaled $114.9 millions. Largest sources were: corporation tax on profits, $35 millions, and on capital, $9.5 millions; gasoline tax, $29.6 millions; sales tax ($27.2 millions less $13.4 millions paid into education fund) $13.8 millions; succession duties, $11.8 millions; tobacco tax, $8 millions.

Revenues from licenses, permits and royalties—game, mines, motor vehicles, etc. — provided $40.9 millions. Among the other revenues, Quebec Liquor Commission brought in $18.2 millions on trade account of which $1 million went towards grant to public charities; education fund $12 millions; government of Canada $3.9 millions.

Largest item among ordinary expenditures was for health, including public charities, at $26.8 millions. Other large outlays were: welfare, $17 millions; education, $14.3 millions; roads, $14.6 millions; public works, $11.6 millions; agriculture, $11.6 millions; colonization, $11.3 millions.

Mr. Gagnon pointed out that special grants totaling $7 millions to the province's four universities were included in these ordinary expenditures. A special item among the capital expenditures was $1.5 millions for purchase of Quebec Pulp & Paper Corp. assets.

Quebec Sells $15 Million 3%

MONTREAL (Staff)—New $15-million Province of Quebec 3% 15-year bond issue was quickly sold this week by a large syndicate headed by the Bank of Montreal and A. E. Ames & Co. Offering price was $99.50.

The bonds are dated Sept. 19, 1949, and mature Sept. 15, 1964 Province retained the option to redeem the whole issue two years before maturity. Net cost to the province is 3.14%.

Of the proceeds, $10 millions will be used in connection with redemption July 1 last of $10 million loan which had been taken care of temporarily by issuance of treasury notes.

The balance will go toward purchase of Quebec Pulp & Paper Corp. assets ($1.5 millions), grant to McGill University ($1.5 millions) and to reimburse the provincial treasury for expenditures on bridges, provincial announcement stated.

Catelli Food Prod. Redeeming Shares

MONTREAL (Staff) — Catelli Food Products Ltd. is redeeming the balance of its outstanding 5% preferred shares Sept. 30, it is announced. The company redeemed 19,300 preferred shares last December.

Redemption price will be at the par value of $15 per share plus 25 cents for the dividend accrued from June 1 to Sept. 30. Total of 19,127 preferred shares are outstanding at present.

Elimination of the preferred will leave the 45,092 issued no par value common shares as the only outstanding capital stock.

Canadair Losing No Time Preparing to Build Jets

MONTREAL (Staff) — Canadair Ltd. has already awarded contracts for construction of a 200,000 sq. ft. extension to its No. 1 plant at Cartierville, in connection with its $30 million contract to build 100 F-86A jet fighters for the Canadian Government.

The plant addition, a direct result of the jet order, will be used for fabrication of aircraft parts and the fabrication and assembly of tools, dies, jigs and fixtures, the company states. The extra space will also permit more efficient use of the existing plant and increase its capacity. Subassembly and final assembly operations for the jet fighters will be carried out in No. 2 plant, also at Cartierville.

Under the contract deliveries are to start in August, 1950. Negotiations on the F-86A order have been going on for some months, and much of the preparatory work has already been done by Canadair. In this way the company has been able to keep on a great many of its employees who might otherwise have had to be let out as other aircraft orders were nearing completion, a company official pointed out.

Contracts thus far awarded for plant expansion include: structural steel, Dominion Bridge Co., Montreal; roof deck, Truscon Steel Co. of Canada, Montreal; cranes, H. E. Sales Co., Montreal. T. Pringle & Son Ltd., Montreal, consulting engineers, have been engaged to do the architectural and engineering work and to supervise construction. Negotiations on contracts for additional phases of the new construction are virtually completed and awards will be made soon, company states.

The announcement by the Defense Department said that the contract covered $19,029,000 for airframes; $1,902,990 for airframe spare parts; $8,178,000 for production and machine tools; $625,000 royalties; and $475,300 for publications and ground handling equipment.

Included in these costs are many expenses for tooling up and any additional orders would involve a lower unit cost. The Government will still have to make substantial outlays for engines, radio, armament and other sources. Thus far, there has been no indication as to the type of engine to be used or whether it will be made in Canada or the U.S. The U.S. F-86 holds the official world speed record of 670.9 mph, fully armed. It is said to have a tactical radius of 500 miles, service ceiling of more than 40,000 ft. and carries six .50-calibre guns in the nose.

Output Higher At Shawinigan

MONTREAL (Staff)—Shawinigan Water & Power Co.'s generating stations maintained a slightly higher level of output in the first six months this year, and sales of primary power were up slightly, company reports. Return to normal load conditions in the asbestos industry will improve output and revenue for the balance of the year, it is stated.

Exceptionally good run-off conditions, with more than double normal rainfall in the upper sections, largely replenished water storage reservoirs in April, May and June in spite of the very low levels reached during the winter.

Very little variation has been shown in business done by Shawinigan's subsidiary, Quebec Power Co., with demand showing small but steady growth. Earnings and output have been maintained.

Lower U. S. prices for some products and curtailed exports sales have cut into sales of Shawinigan Chemicals Ltd., but first half earnings justified payment of the same dividends as for 1948, company stated.

Work on the new Trenche power development is on schedule, with about 1,500 men employed on the project. Coffer dams in the main river have been completed and the river flow has been diverted through the bypass channel. Construction of new 220,000-volt transmission lines from the Trenche site to Trois Rivieres is about half completed and should be ready by the end of this year. This will result in reduced transmission line losses between La Tuque and Trois Rivieres, make possible more efficient use of power purchased from St. Maurice Power Corp.

Trans.-Television Sales Improving

Sales of GR and Auto-Rola car radios are well ahead of production, F. J. Seidel, president of Transvision-Television (Canada) Ltd. told the annual meeting. These are proving the major source of the company's revenue at present.

Production of television receivers under licence from Television, Inc. began in July and sales are running ahead of production rate, it is said. In the aircraft division—Trans Aircraft Co. —sales of the new Piper Clipper are said to be increasing steadily. In addition, the aircraft division has embarked on a program of manufacturing a new "Tourmaster" line of accessories for British motor cars. These lines include bumper guards and luggage racks.

Four changes were made in the board of directors. Norman Vincent and Irving Picard, Toronto financial men, declined to stand for re-election. New directors are D. E. Wiseman, John B. Hamilton, P. J. Lawler and Christine Fox. Mr. Wiseman, who was also appointed executive vice-president, was until his recent arrival in Canada, director of production and sales for Scophony-Baird Ltd., one of the largest television manufacturers in England. Mr. Hamilton is a Toronto barrister, partner of the firm of Hamilton, Campbell & Opper.

President Seidel stressed the fact that the company had come through a very trying period. Reorganization and co-ordination problems following the merger were further complicated by changes in the aircraft industry, in which the company had been almost solely engaged before last year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA BREAD CO. net profit for the year ended June 30, 1949, was off narrowly at $251,135 ($269,318.) Sales amounted to a record $16,808,141 ($15,620,823). Operating costs, however, counteracted the increased sales. Employees of the large baking companies in the Winnipeg area were on strike for five weeks and this had an adverse effect on sales and earnings of the company.

Capital assets to the net value of $634,651 were purchased, consisting mainly of buildings, bakery equipment, ovens and trucks. A building was purchased at Cornwall and is now being equipped for manufacturing. It will be one of the company's most modern bakeries, it is said.

A building loan of $100,000 is included in company's liabilities. Distribution of cash proceeds from each 15c of product sold shows, 5.074c paid to employees, 7.107c for ingredients, 1.677c for maintenance and delivery expenses, .365 for administration, .436c for depreciation, .127c for income taxes, .154c for dividends and .060c for reserve.

CONS. INCOME AND SURPLUS ACCOUNT

Years Ended June 30:	1949 $	1948 $
Sales	16,808,141	15,620,823
Total net earnings	982,264	956,815
Less: Depreciation	488,972	429,141
Inc. & corp. tax	134,900	156,500
Emp. pension	107,257	106,481
Add: Invest sale	......	4,625
Net profit	251,135	269,318
Less: 4½% pf. divds.	90,000	90,000
B pref. divds.	62,500	62,500
Common divds.	20,000	20,000
Surplus for year	78,635	96,818
Earnings per Share and Dividend Record:		
4½% pref.	$12.56	$13.47
Paid	4.50	4.50
B pref.*	6.45	7.17
B pref.†	4.07	4.44
Paid	2.50	2.50
Common†	0.30	0.34
Paid	0.10	0.10

*Before (†After) participation.

CONDENSED CONS. BALANCE SHEET

As at June 30:	1949	1948
Cash	$388,508	$239,026
Accts. rec.	307,091	265,041
Inventories	608,110	834,179
Total curr. assets	1,303,709	1,338,246
Prep. ins. etc.‡	111,027	150,512
Misc. assets∆	5,917	9,500
Fixed assets*	3,717,760	3,572,081
Goodwill	500,000	500,000
Total assets	5,638,414	5,570,339
Accts., etc., pay.	803,973	856,359
Taxes	131,578	185,853
Divds. pay.	58,125	58,125
Total curr. liab.	993,676	1,100,337
Building loan	100,000	....
Contingent res.	100,000	100,000
Capital stock	3,275,000	3,275,000
Surplus	1,169,737	1,095,002
*After depr. of	4,082,491	3,750,907
∆Incl. refund EPT	1,116	4,300
‡Incl. in curr. assets in co's. report.		
Working capital	310,033	237,909

Separate Bids Confuse Issue For Sherbrooke

MONTREAL (Staff) — Despite some complications in making the final award, due to the different methods used in submitting bids, City of Sherbrooke last week sold $1 millions serial bonds, largest Quebec municipal financing this year.

The bonds, sold to Bell, Gouinlock & Co. and Canadian Bank Commerce, consisted of $381,000 2¾%, due July 1, 1950-59; $403,500 3%, due 1960-64; and $215,500 3¼%, due 1965-69. Price was 97.83 for net cost to the city of 3.259%

Eight syndicates, including five banks and 25 investment houses, submitted bids for the bonds. Originally separate tenders had been called for on two issues, one of $700,000 under by-law No. 700 and the other of $300,000, part of an $800,000 loan under by-law 69.

However, while some syndicates sent in separate bids for the two amounts, others tendered on the combined loan. As a result, one concern claimed that it should be awarded the $300,000 loan, because its price was higher on that portion, despite the fact that its offer for the total amount was not as favorable.

In order to straighten out the situation, the Quebec Municipal Commission recommended that all tenders be rejected. The sale of the bonds was then privately negotiated with the Bell, Gouinlock—Canadian Bank of Commerce syndicate whose over-all bid was the most advantageous to the city.

Some criticism of the method in which the tenders were called for was offered by investment men here. They said that there should have been a specific statement that bids should be made on the whole amount, rather than on the two separate by-laws. Another suggestion was that if the whole amount was not wanted at the one time, separate dates for tenders should have been set.

Proceeds of the loan under by-law 690 are for construction of a new concrete bridge on the St. Francois River, and under the other by-law for various municipal works.

Bruck (Australia) Earnings Higher

MONTREAL (Staff)—Earnings of Bruck Mills (Australia) Ltd. increased to £60,949 in the fiscal year ended June 30, 1949, compared with £16,340 the previous year, according to the company's preliminary statement. An ordinary dividend of 3% or £16,386 will be recommended by directors at the annual meeting, the report stated.

Bruck Mills (Australia) has a paid-up capital of £737,500 including £250,000 preferred stock. It is an associate company of Bruck Mills Ltd., Montreal, which owns a substantial number of £1 par ordinary shares, and holds long term options for further subscriptions at par value.

ABOUT YOUR TAXES By STUART THOM, LL.B.

Court Won't Question Right Of Ministerial Discretion

The decision in the case of Joggins Coal Co. vs. The Minister of National Revenue recently delivered by Mr. Justice Cameron of the Exchequer Court, is chiefly of interest as authority for the proposition that the Court is not entitled to enquire into the merits of a determination by the Minister in a discretionary matter where the statute says that such determination by the Minister is conclusive.

The question arose in connection with the apportionment, between lessor and lessee, of an allowance for the exhaustion of a coal mine in Nova Scotia. The Joggins company was the lessee of the mine and the Minister saw fit to allow the lessor company (which was itself the lessee of the mine from the province) to claim the allowance to the extent of the royalties received from the appellant. As the result, the lessor reported no income during the years in question (1939 to 1941) while the appellant had only a slight benefit from the small balance of the allowance which remained.

The appellant sought to attack this apportionment of the allowance as being arbitrary and against sound principles. It was held that there could be no appeal from an apportionment by the Minister under section 5(1) (a). Mr. Justice Cameron said, "The subsection itself in plain terms confers on the Minister the sole right to apportion the allowance between a lessor and lessee when they themselves have failed to agree thereon (as was the case here). From that apportionment there can, I think, be no appeal, the determination of the Minister being conclusive."

The foregoing section of the Income War Tax Act is now replaced by section 11(1) (b) of the new Act, which provides for the deduction of ". . . an allowance in respect of an oil or gas well, mine or timber limit if any, as is allowed to the taxpayer by regulation." The regulations have not yet been published. When they do appear it will be interesting to see if the Department attempts to grapple with the illogicalities which characterize the old Act. Section 5 (1) (a) provided for an allowance for the exhaustion of the mine, etc., but in practice the Minister never gave special attention to each claim for the allowance. Rather, certain classes of mines, for instance, in a certain area were given a flat rate per ton without regard to capital costs, mineral reserves or any other factors which from an accounting point of view might be said to enter into the determination of true income. It became in effect a special tax exemption to which the so-called extractive industries (mining and lumbering but not agriculture and fishing) were in some cases entitled.

The allowances presumably were justified by the special circumstances of the industries which enjoyed them, but the method adopted made a hash of any logical or coherent tax structure.

Under the new Act at least it can be said that the exceptional nature of the allowances is recognized. Under subsection (a) of section 11(1) all taxpayers are allowed to recover their capital costs out of income before tax. Under subsection (b) it is simply provided that there may be "an allowance" and the fiction that it must be in respect of exhaustion is no longer maintained.

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2¾% BONDS
TO MATURE SEPTEMBER 15, 1969
(CALLABLE SEPTEMBER 15, 1964)
PRICE: 99.625 AND ACCRUED INTEREST
TO YIELD ABOUT 2.90%

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

FOR SALE

Machinery and complete equipment for the fabrication of cream separator to offer at a low price. Reason for selling: Health condition of the manager. For further details, contact

BOX 241
THE FINANCIAL POST, TORONTO

PROVINCE OF NEW BRUNSWICK

REDEMPTION OF DEBENTURES

Notice is hereby given that the Province of New Brunswick intends to redeem, for Sinking Fund purposes only, a portion selected by lot by the Department of the Provincial Secretary-Treasurer of the 4% Debentures dated 15 October, 1941, and maturing on the 15 October, 1953, pursuant to the option for redemption set forth in the said Debentures, such redemption to be at 101% of the principal amount. The said redemption will take place on 15 October, A.D., 1949.

The portion of the said Debentures issue to be redeemed on the said date has been selected by lot by the Department of the Provincial Secretary-Treasurer and the numbers of the said Debentures so selected for redemption are as follows:

Numbers MX0019, MX0023, MX0048, MX0080, MX0104, MX0159, MX0160, MX0165, MX0172, MX0177, MX0277, MX0293, MX0294, MX0318, MX0352, MX0380, MX0393, MX0402, MX0575, MX0584, MX0641, MX0736, MX0744, MX0762, MX0807, MX0846, MX0859, MX0920, MX0972, MX1006, MX1007, MX1025, MX1074, MX1097, MX1111, MX1158, MX1167, MX1204, MX1342, MX1365, MX1373, MX1393, MX1524, MX1594, MX1637, MX1675, MX1677, MX1741, MX1753, MX1770, MX1843, MX1981, MX1987, MX1990, MX2031, MX2089, MX2245, MX2333, MX2351, MX2413, MX2511, MX2518, MX2546, MX2565, MX2585, MX2633, MX2647, MX2718, MX2734, MX2792, MX2822, MX2838, MX2942, MX2971, MX3090, Each at $1,000.

Numbers MX3366, MX3459, MX3470, MX3644, MX3649, MX3661, MX3678, MX3785, MX3797, MX3812, MX3820, MX2897, MX3907, Each at $500.00.

Numbers UJ085, UJ151, UJ237, UJ438, UJ464, UJ506, UJ568, UJ608, UJ620, UJ637, UJ648, UJ703, UJ777, UJ780, UJ783, UJ793, UJ809, UJ815, UJ845, Each at $1,000.

The following Debentures called for redemption 15 October, 1948, have not yet been presented for payment:

Number MX0610, MX0614, MX2756, Each at $1,000.

Numbers MX3617, MX3724, Each at $500.00.

Numbers UJ386, UJ420, Each at $1,000.

Holders of the Debentures above enumerated are hereby required to present their Debenture Certificates for redemption on the said 15 October, 1949, at the principal office of The Bank of Nova Scotia in any of the cities of Halifax, Saint John (N.B.), Montreal, Toronto or Winnipeg.

DATED at Fredericton this 29th day of August, A.D., 1949.

J. G. BOUCHER,
Provincial Secretary-Treasurer.

A "GRUBSTAKE" INVESTMENT

World's Largest Uranium Concession
Held By New Canadian Company

SIX PITCHBLENDE DEPOSITS ALREADY UNCOVERED.
SAMPLES ASSAY UP TO $110 PER TON—AVERAGE $44.
LIMITED NUMBER OF SHARES NOW AVAILABLE TO
PUBLIC AT TWENTY CENTS PER SHARE

1 Goldfields Uranium Mines Limited holds 143¾ square miles on the North Shore of Lake Athabaska in Northern Saskatchewan. This is the largest Uranium Concession in the world.

2 This property adjoins that held by Eldorado (a Crown Company) on which a million dollars is being spent for development this summer. Eldorado's five major pitchblende showings at Goldfields are in the lower third of the St. Louis fault. Goldfields Uranium Mines Limited holds the upper two thirds of the St. Louis fault.

3 With only 5 per cent of the property prospected so far, 19 pitchblende showings have been found. One of these consists of 7 parallel veins covering a zone 100 feet wide and a mile long. One vein measures 28 inches in width in places, comparing with the best that has ever been found anywhere. Samples have assayed as high as $110 per ton and average $44 per ton. There is good possibility that one of the showings already found will justify a 100-ton mill.*

4 At present the main base camp lies 12 miles due North of Eldorado's producing Martin Lake Mine. A geologist and crew of prospectors, equipped with an aircraft and all other modern aids are working in this area of the Company's property. Drilling work has been started. Over $20,000 has been supplied by the working directors of the Company to bring the property to its present stage of development.

5 A limited amount of the capital stock of Goldfields Uranium Mines Limited is now being offered at 20 cents per share. Of the 300,000 shares available at this price, two-thirds have already been subscribed. Options on the remainder of the treasury shares have been granted at prices ranging from 40 cents to one dollar. Sale of these shares will put into the treasury of the Company a total of $1,300,000—sufficient to bring the mine to production.

* Much of the research work that has been done and is being done in the field of atomic fission is surrounded by secrecy. There need be no such secrecy concerning the extent of the potential rewards to participants in the discovery and production of uranium ore. Yet the possibilities are not widely recognized. A ten per cent content of uranium oxide in raw ore may not sound impressive yet such ore, milled at the moderate rate of 100 tons daily, with a recovery of 80 per cent of values, would yield 16,000 pounds of uranium oxide daily. That production would be valued at $44,000. Over a thirty-day period production would be worth $1,320,000. These figures are based on the government-guaranteed price in effect until March 31, 1958.

Complete prospectus, financial statement and map available at Company's office or consult your Broker.

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Do We Think Big Enough?

Parents who see their children every day hardly notice them growing. Friends seeing them after a long interval say "How they've grown," and the parents answer "Yes, I suppose they have."

In the same way Canada's friends, British, American and foreign, are often quicker than we are to see the changes in Canada. There is more excitement in Boston than in Toronto about the vast iron-ore resources of Labrador. There is more awareness in California than in New Brunswick of the importance of the prairie oil discoveries. The capitals of the world see more clearly than most Canadians the new authority with which Canada speaks in international councils.

We are in fact entering on a new era of Canadian development and no shadows from the international storm-clouds should obscure the fact.

Marking the new era will be the convening of the new Parliament this month, in which Mr. St. Laurent assumes leadership, not as the nominee of a tired and retiring Prime Minister, but as the overwhelming choice of the Canadian people.

Anyone who has seen Mr. St. Laurent in recent weeks will testify that he well symbolizes in himself this opening of a new era. As he walks briskly across Parliament Hill, robust, approachable, friendly, he looks the very embodiment of health and confidence. He looks ten years younger than he did before the election. For the first time in a generation, casual lunchers at the Rideau Club are liable to find Canada's Prime Minister sitting down beside them. His colleagues, and the senior civil servants who serve his government, find in him an assurance and a decisiveness which is new and which matches this exciting time in Canada's development.

Mr. St. Laurent's natural approach to any problem is still the one he learned in years of successful private practice. It is "Let's do something to solve it." This is exactly the attitude Canada needs. Let us hope that the years in office will do nothing to blunt the direct practicality of the Prime Minister's nature.

A good augury is the new Dominion approach to its relations with the provinces. The Prime Minister's insistence that the Dominion and the provinces should understand each other before they sit down to a full-dress conference is eminently sensible. The size of the Liberal majority in the new House enables him to "lead from strength." He need not and must not be stampeded into playing politics. He can approach the provinces on a straightforward businesslike basis. That is what he seems to be doing and that is what he should go on doing.

Even before he became Prime Minister, Mr. St. Laurent had given proof that he could speak for Canada in the international sphere with authority and influence. His leading role in promoting the Atlantic Pact marked the new stature of Canada in world affairs. The implementing of the Pact provides an equally challenging opportunity.

Canadians must get used to the fact that their government has a leading role to play in the most crucial task which faces the free world. That task is to knit western Europe and North America—the Atlantic community—into a community in fact as well as in name. Canada has a particular and supreme interest in seeing the Pact carried into effect. She has no need to be timorous, and the government must be assured of the people's support in tackling the job with forthright determination.

The economic and financial talks which start in Washington next week must be seen against this wider background, and we trust that the Canadian representatives at them will not be bashful. Canada has a vital interest in these matters and she has a point of view which is not the same as Britain's or the United States'. She can find things to criticize in the attitude of the both of them, and the Canadian ministers should not hesitate to make their criticisms in the friendly atmosphere of round-table discussions.

Canada is starting a new era in her own economic and social development. Her political life must match it. Many of the hesitations and uncertainties of the past must be left behind. A mature confidence and forthrightness are what we now need of our government.

Would We Be Stronger?

While he did not go into details in his Warrior's Day speech at the Canadian National Exhibition, General Crerar made it clear that he favors the "big army" idea. He would have us use peacetime conscription to raise large military forces and spend many times the present defense budget to equip them. He was critical of those who concentrate on research rather than military training and still more so of those that believe that modern equipment and strategy make large numbers of men unnecessary in any future war.

There will be many who will share the concern of the former chief-of-staff regarding the present military strength of Canada. It is generally conceded that no democratic country can maintain a peacetime army strong enough to go on an immediate war footing. But outside the narrowest professional circles, it is extremely doubtful whether General Crerar would get any substantial support for the cure he has been offering in practically every public speech he has made since his retirement.

Aside from the enormous cost of conscripting, training and equipping a big army in peacetime and the loss of essential manpower in industry, there is the question of practical value. It wasn't for lack of soldiers that the allies failed to stop Hitler in 1939 or 1940 or 1941 or 1942. France, Belgium, Poland, Britain and Russia all had conscription. Their trained armies far outnumbered the German forces. But they lacked modern equipment and especially of the sort that only scientific research and a highly developed industrial economy can provide. With our population and conscription we could raise an army of over a million men but we might easily cripple our taxpayers, our research and industry in consequence.

Schoolboys Tour Canada

Now on their way back to Britain are 50 British schoolboys after an unforgettable month in eastern Canada. It was a trip that none of them could have made but for the money of Garfield Weston who financed it. Five of the boys came from the famous "public schools" of England; 20 from boys' clubs in all parts of the country and 25 from Macclesfield, Yorkshire, which Mr. Weston used to represent in Parliament.

The boys had a wonderful time and they must have taken back with them an impression of Canada and Canadians which will last for many years.

Next year Mr. Weston promises not only to bring out another 50 British schoolboys for a tour, but at the same time he will finance a visit of 50 Canadian boys to the British Isles.

This is planning for the future in the best possible way. Nothing in the long haul can take the place of personal contact as a solvent of international misunderstandings. In Mr. Churchill's wartime phrase, the more we can get "mixed up" not only in our national affairs but in our personal relations, the better.

All Must Share

The responsibility of a public company to all interested groups of society and the interdependence of these groups on each other is a fact that cannot be stressed too much in our public and industrial relations. In the annual report of British Columbia Packers, President J. M. Buchanan brings this to the attention of shareholders and other readers, stating:

> "The responsibilty of a public company to all interested groups of society should be recognized, not alone by the company but by each group. Our employees are interested in fair wages with good working conditions: the fishermen are entitled to fair returns for their efforts and investment: the consumers expect quality products within reach of their purse: the suppliers of goods and services wish to maintain stable outlets: shareholders must have equitable returns on their savings with reasonable security. The same margin that gives security to the shareholders gives perhaps greater security to the other groups if these accumulated margins are conserved and/or wisely used to develop new sources of employment and earnings.

In business there are five partners. There is the supplier of the raw materials, the workers who process them, the consumer who uses them, the investor who puts up the money and management, which is responsible for the smooth co-operation of the others. Each has its own role and problems and is entitled to adequate compensation.

Mutual survival, however, demands co-operation. In this the role of the investor is too often forgotten. If it were not for him the business could not be there. Unless he receives a fair return with reasonable security, he will not be willing to put up more capital or even, if he has any say, to leave surplus earnings in the business for growth."

All groups of society should recognize this fact. It is essential for the continuance of our free enterprise competitive system.

Need More Advertising

Advertising has failed to keep step with the growth in national income during the postwar period asserts the United States Department of Commerce. In the four years prior to the outbreak of war in 1939 the annual expenditure on advertising was equivalent to 2.8% of the national income. Had that rate been maintained after the war, expenditures would be running fully 25% above present levels.

Those figures, of course, refer specifically to the American field. For Canada, however, proportions will be almost identical. In both countries the role of advertising is exactly the same, namely to keep the market expanding for expanding industrial production. Without that parallel expansion there can be no continued growth of industry, no continuance of prosperity.

Starting Every Day

There is a rather widespread belief, here and in the United States, that the expansion of so-called big business is making things tough indeed for the little fellow to get started. But the facts don't agree.

Because they are big and are everywhere we hear much of the big fellows. We see much of their branch stores, their service stations, or their equipment. For generations we have seen their names in our newspapers and magazines. But until they grow up and become big, few people outside the immediate neighborhood hear about Smith, Jones or Brown who started a corner store, or two-by-four factory, or cross roads tourist stand a few years ago. Messrs. Smith, Jones and Brown, however, are starting new businesses every day and are finding the job no more difficult than their grandfathers did.

A few weeks ago The Financial Post asked a group of younger Canadian business executives, about the chances of establishing a new business today as compared with a generation ago or two ago. All agreed that present chances were at least as good, and some thought better.

In Barrons this week, Samuel Williamson of the New York Times says the same thing is true of the United States. Even with mergers, chain stores and the rise of great mass producing industries, he says, business concerns are twice as numerous today as they were in 1900 and they have increased faster than the population. For every 1,000 Americans today there are 26 business firms of various sorts while at the beginning of the century there were only 21. Every business day for the last three years some 2,250 new business ventures got started in the United States.

True the mortality among these has been enormous though not any higher, if as high, as the rate of 20 or 30 years ago. Never before have as many American men and women been in business for themselves.

The young man contemplating a business career of his own can get some mighty encouragement by looking over the thousands of successful enterprises which have grown from scratch in the last 50 years. He should remember that at the beginning of this century there was hardly a business, large or small, in all Canada based on the automotive, telephone, oil or electrical industries. He should also remember that the same was true of radio, aviation, and chain stores almost as late as 25 years ago. Every new invention or process widens the field of individual enterprise, offers an opportunity for the young Canadian to start into business for himself.

Napier Moore's
Scratch Pad

MONTHS AGO we got a tip that the countryside around Durham, Ontario, was being fine-toothcombed for the hardest, toughest and finest Canadian maple obtainable. We did a spot of sleuthing and discovered that experts from the T. Eaton Company had checked 60,000 feet of lumber for a sufficient quantity of flawless wood required for an extra special job.

We put two and two together.

At the time of the marriage of Princess Elizabeth and the Duke of Edinburgh, the CPR wished to make a tangible contribution to Canada's expression of goodwill. The gratefully accepted idea was the creation of a Canadian room in the royal couple's own home—Clarence House—using Canadian design, Canadian materials and Canadian workmanship. And the room decided on was the Duke's personal study.

The CPR commissioned Eaton's to do the job.

We tackled Eaton's. They said the facts were as related, and they were extremely proud of the job their craftsmen were doing. But they implored us to hold off until the room was installed and they knew that the Duke and his Princess were happy about the whole thing. Besides, they felt information really ought to be released by the donor. We tackled the CPR. They said they'd be infinitely obliged if we'd hold off until the job was installed.

Being by nature obliging we held off. Just too late for last week's column we received word that both Princess Elizabeth and her husband were delighted with the room and that news of the whole achievement would be released to the press September 1.

People who ought to know tell us the design and workmanship of this Canadian maple chamber is magnificent. Working from blueprints of Clarence House sent from London, William Howard, of Eaton's house-furnishing studio, designed the paneling for the 36 x 21 ft. study. It was turned out in the company's workshops under the supervision of chief cabinetmaker Lawrence Clark. Mr. Clark went to England to examine the original room. Incidentally, the Duke and he worked out the idea of a map table so cunningly contrived that it completely disappears into three inches of space behind the paneling when not in use.

All the woodwork had to be specially treated to withstand the English humidity. Total weight of the sections when shipped was six tons.

• • •

THE OTTAWA CITIZEN reports that "a real live lord" is going to work in the capital as publicity man for the Minister of Finance. He is the third Baron Shaughnessy, former newspaperman, known to his intimates as "Shag."

We have a vivid memory of his grandfather, the first Baron Shaughnessy. We were a reporter on the Montreal Daily Mail. In the first week of April, 1916, the incoming casualty lists bore, under Killed in Action, the name of Capt. Alfred Shaughnessy, second son of the then president of the CPR. Our city editor said, "Go and see Lord Shaughnessy. Get a statement."

Reluctantly we went to the Dorchester Street mansion and explained to a strained butler that we wanted to speak to His Lordship. The butler was firmly insisting that this was quite impossible when a quiet voice said, "What is it?" It was Lord Shaughnessy standing at the head of the great staircase. The butler said, "It's a reporter, Your Lordship." Slowly, and with great dignity, Shaughnessy came down the stairs. "Come in," he said, and ushered us into an anteroom.

Somewhat lamely we expressed our sympathy and our distress over the intrusion. Lord Shaughnessy said, "Thank you. I quite understand. You have your job to do. What can I do for you?"

We said our paper would like to use any statement he might care to make in connection with the loss of his son. He thought for a moment. Then he dictated a few words. As we rose to leave, he said, "You must see a great deal of sorrow. There are so many mothers and fathers whose hearts are heavy."

We said, "Yes, sir—and a great deal of courage."

Lord Shaughnessy shook hands, turned, and slowly went upstairs.

• • •

ODDLY, THE ONLY TIME we met Sir Harry Lauder was when we interviewed him in his dressing room at Montreal's Princess Theatre: he, too, had just received the news of his son's death in action. He was changing his costume and was almost naked, revealing a body like that of a north-country miner—massive torso and short, bandy legs. The tears coursed down his cheeks as he talked of his lad. Ten minutes later he was back on the stage, making people laugh.

Stop Me If—

Bill: Have you seen one of those new instruments that can tell when a man is lying?

Hank: Seen one? I married one.

• • •

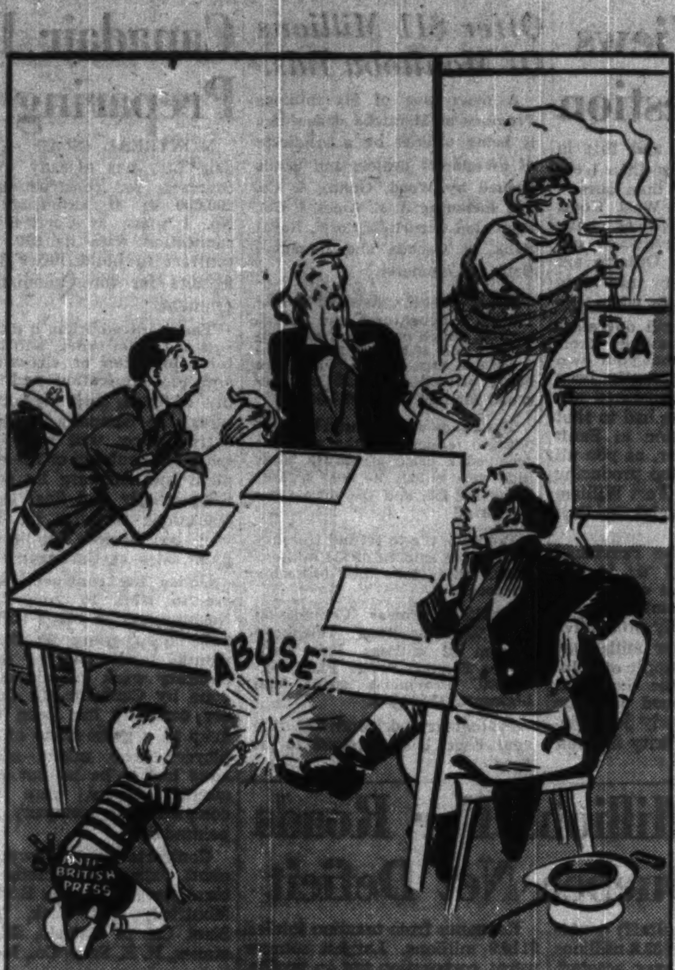
Husband: "Are you ready yet, dear?"

Wife: "Honey, I wish you would stop nagging me. I told you an hour ago I'd be ready in a few minutes."

• • •

The lunatic was carefully reading a telephone directory. Seeing this, his doctor asked, "Is it interesting?"

"Well it's got a good plot," replied the madman. "But you know what detective stories are like these days—too many characters and not enough action."



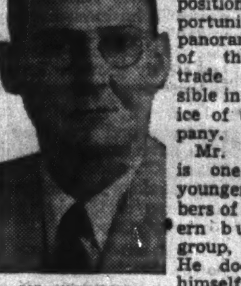
Cartoon by Grassick.

HARDLY THE WAY TO START

Post Scripts

To Wheat Board

The conflict of view on merits of a controlled system and the open market for the grain trade has witnessed a number of switches of executives from one camp to the other during the last five or six years. One of the most recent is Roger N. Hickman, appointed manager at Winnipeg of the Norris Grain Co.



MR. HICKMAN

Mr. Hickman has been reared in the grain trade. Since October, 1943, until his recent appointment he was assistant sales manager of the Canadian Wheat Board. Nearly six years in this position gave opportunity for a panoramic view of the grain trade not possible in the service of one company.

Mr. Hickman is one of the younger members of the western business group, now 44. He doesn't get himself between quotation marks about his opinion on the two marketing systems, but his lot is now with one of the major exporting firms of the Winnipeg Grain Exchange. Only a few days after his appointment the Wheat Board became the exclusive marketing agency for coarse grains and announced it would use the futures market in dealing with oats and barley.

Born in Duluth, Minnesota, Mr. Hickman came to Winnipeg when a boy of 12, attended grade and high school, and then two years at the University of Minnesota. On the edge of the depression of the 30's his father started in the grain business in Winnipeg and in its service Mr. Hickman got his groundwork in the trade. Soon after start of the last war he began his own brokerage business and when Government closed out wheat futures in September, 1943, he switched to the sales department of the Wheat Board. A year and a half later he was appointed assistant sales manager.

Mr. Hickman doesn't pretend to have a wide range of diversified interests. Learning what there is to know about his own business is a sizeable job by itself and as assistant sales manager of the Wheat Board which handled all the wheat of the western provinces, he says he never had time for much else but his job.

An occasional round of golf was all he could ever work in. He is married and has one child, a daughter of 16.

• • •

New CBA Head

A New Brunswick lawyer, Arthur N. Carter, K.C., of Saint John is slated to head the Canadian Bar Association at the 31st annual meeting of the association this week at Banff, Alta. He served as vice-president during the past year.

A Rhodes scholar and a soldier in the British Army during the First World War, Carter was admitted to the New Brunswick bar in 1921. For the past 25 years he has been one of the foremost barristers in his native province.

He was born in Saint John in 1891. His father, Edward S. Carter, was a newspaperman and for a number of years was keenly interested in New Brunswick politics. When he retired in 1925 he was editor of the Saint John Telegraph-Journal.

Arthur Carter was educated in the public schools of Saint John and Fredericton and the University of New Brunswick. In 1913 came a Rhodes scholarship. With the outbreak of war in 1914, however, he interrupted his studies to enlist in a cavalry regiment of the British Army. He later transferred to the Machine Gun Corps and rose to the rank of captain.

At Oxford he received degrees in civil law and arts. He returned to Saint John in 1920 and was admitted to the New Brunswick bar. Three years later he became a partner in the Saint John law firm of Baxter, Lewin and Carter. In 1944 he established his own firm and specialized in corporation law.

Married in 1921, the Carters have two sons, Erskine, and Norwood whose careers to date have closely parelleled their father. Both are Rhodes scholars from New Brunswick and both have selected law as their profession. The older boy, likewise, served with the British Army, and was one of the "Red Devils" who landed behind the German lines at Arnhem in 1944.

• • •

Manitoba's New Judge

It doesn't often occur that the Bench takes all the partners of a law firm but with appointment of John Joseph Kelly to the Manitoba Court of King's Bench, this has happened to the former Winnipeg firm of Kelly and Campbell within less than two years.

MR. KELLY

Mr. Kelly at 51 is youngest of Manitoba's high court judges. At 16 he was a sturdy, raw-boned youth on his father's farm at Thornhill, Manitoba. Knowing he could pass for 18 he was guilty of what he says was his first and only deliberate deception. In 1915 he beat the age limit rule of the army and enlisted. On his 18th birthday he was in the trenches at the Battle of the Somme.

Before the Somme show he had been slightly wounded and in it he was a serious casualty. Hit by shrapnel, a savage enemy shellfire made it difficult for the ambulance corps to rescue him. He lay for hours in No Man's Land and when stretcher bearers got to him he was rushed back to a base hospital.

Surgeons said they would have to amputate his leg. They also said he couldn't survive his wounds and no purpose could be served by amputating a limb when he was going to die anyway. Private John Kelly reversed this medical judgment, first by living, and second by getting well enough to preserve his leg which he can still use for pedestrian purposes without visible limp.

Mr. Kelly always had strong convictions about the responsibilities of the subject to his country. At outbreak of World War II he volunteered again, hoping to get into the fighting lines, but expecting that at 42 there was little chance. His services were accepted and he was appointed to the staff of the Judge Advocate General's Branch, serving at Canadian headquarters in London and also at headquarters of the First Canadian Army. He went into the first war a private and was discharged a private. After the second he retired to the reserve with rank of Lieutenant-Colonel.

After the first war he was discharged in 1918 and came back to Winnipeg and studied law. He was called to the Bar in 1922. Outside his profession his main interest has been the cause of war veterans. He is vice-president of the Canadian Legion for Manitoba and northwestern Ontario and president of one of its Winnipeg locals.

Until his recent judicial appointment he was a Bencher and honorary secretary of the Manitoba Law Society. When the Manitoba Power Commission was enlarged two years ago to three members in addition to its general manager, he was appointed vice-chairman.

Mr. Justice Kelly is a member of the United Church. He was married in 1924 and has two daughters.

What Others Are Saying

Editorial of the Week

Prune Out the Deadwood

St. John's (Nfld.) News

We have still a lot to learn in this country about the management of federal affairs but enough general evidence exists to suggest that many departments of government are overmanned and that a good deal of public spending should be curtailed.

We do know from our own experience how a bureaucracy can grow into something approaching a monster with an appetite so huge that it calls for ever-increasing sacrifices by the taxpayers. It helped to bring us to bankruptcy in spite of the fact that we provided little in the way of welfare services at the time.

But the demands for such services on the Federal Government are expanding at so rapid and vast a rate that Mr. St. Laurent may have soon to devote himself to close examination of the competency and cost of government to determine if the lopping off of deadwood and resultant savings will allow him to maintain his social service commitments without having to impose new burdens on the taxpayers to meet the cost.

Other People's Views

STRIKES will not help us sell our lumber, bluntly asserts the **Vancouver Province** which adds; "We all want to continue a high standard of living and a high rate of employment. But in order to do this we have to trade. There are no pay windows open when the mills close down and mills close down when they can't sell products."

MUST STICK TOGETHER for the good of the world says the **Montreal Star** of Great Britain and the United States. "It is more than half a century since the Governments of both countries came to the conclusion they must work together. The need today is more urgent than ever. The growth of hostility and misunderstanding is precisely what the Soviet Union wants. We should not gratify their hopes."

HIGHWAY RULES must be obeyed if we are to cut down on road deaths, argues the **Winnipeg Tribune.** "In addition to tightening up the issuance of licenses, authorities should see to it that the rules of the road are known and obeyed by all who use the roads and highways of the province, motorists and pedestrians alike. Police should crack down on speeding, glaring lights and over-the-centre-line driving. They should crack down equally on pedestrians sauntering down the wrong side of the highway or bicyclists careening along two or three or four abreast."

NAME A CANADIAN to Rideau Hall, urges the **Windsor Star.** "Some still object to a Canadian as governor-general on the grounds it would weaken the ties between the United Kingdom and Canada. Such an argument has lost whatever strength it may have had. Australia and New Zealand have an Australian and a New Zealander as governors-general. Certainly none has any reason to suggest that Australians or New Zealanders are any less loyal to Britain or to the Crown than we are. Having a Canadian at Government House in Ottawa could strengthen our connection with Britain. For the connecting link with the Crown then would be a Canadian, not English, Irish or Scot."

GET AWAY FROM TRADITION in the matter of Senate appointments says the **Huntsville (Ont.) Forester** in urging Prime Minister St. Laurent to fill some of the present vacancies with Conservatives. "The hour has struck for a breakdown of this grotesque feature of our existing political system. An effective step toward Senate reform awaits the decision of the Prime Minister. No greater advance toward the strengthening of public confidence in the vitally and purposeful functioning of the Canadian Senate could be taken than to convince the Canadian people that something more important exists than death's opportunity for adding to the numerical strength of one or other of the political parties."

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Sept. 3, 1949

Are You Looking for Growth Stocks?

Here Are Some Points to Watch During Market Uncertainty

The uncertain investment picture today is directing new attention toward "growth stocks." How do you identify a growth stock? What do you watch for? When do you buy? Why? Here's a digest of a recent address by Woodford Matlock, president, Broad Street Sales Corp., New York, on "Growth Stocks—And Why"

By WOODFORD MATLOCK

The simplest definition of a growth stock is: shares of companies that have shown the ability to produce a long-term growth in earnings and promise a continuation of this earnings growth.

Care must be exercised that long-term growth is not confused with the cyclical or temporary increase in earnings which many companies experience in a business recovery following a period of depression.

Earnings of growth stocks will rise and fall as business goes through its cycles. But a true growth stock will have higher earnings at the same business level in each successive cycle, for example U. S. steel.

Where does one find growth stocks? There is no simple formula for characteristics of growth but there are four main places to look for it:

1. New industries such as — plastics, air conditioning, Diesel engines, airlines, to name a few.
2. Old companies with new products or new uses for old products. Such as—Minnesota Mining developing Scotch Tape; drug companies with the miracle drugs; du Pont with nylon, etc.
3. Specialties which are expanding the markets for their products. Such as — plywood, rayon, vitamins and trailers.
4. Aggressive managements—Bond Stores, Johns-Manville, Time, Inc.

That is a simple tabulation of where growth is most often found. Selection, however, is not that easy. It requires careful analysis of past trends (such as sales and profit margins), studies of political and economic influences as they pertain to future business.

Answers to such questions as these must be obtained: Is it adequately financed? Is it dependent on patents? Is there a low labor cost? How has it withstood business depressions? What is the ability and experience of the management?

Will Growth Continue?

Not all companies in a rapidly growing industry are good investments or have real growth. On the other hand, some of the best growth stocks are found in relatively stable industries.

A stock may have real growth today and it is important to know that it exists at the time of purchase, but it is just as necessary to know that growth continues to exist as the stock is held. Successful investing in growth stocks requires continuous research and supervision.

Points to Watch Closely

Just as there is no formula for selecting growth stocks, there is no yardstick for detecting when they have reached maturity or lost their growth trend.

Here are a few examples of what the proper selection and supervision of these securities requires.

1. It must be determined that the growth trend is a true one. Sometimes a fortunate occurrence may give the appearance of growth. For example, when safety window glass was first put into automobiles, sales of the industry forged ahead. Then prohibition was repealed and they got another shot in the arm. But then they leveled off, for this was not true growth but merely a raising of the normal sales level to a higher plane.

2. Where the growth stems from a true growing industry the investor must know that the company he chooses is keeping pace with the industry. A few years ago a dealer from the West sent me a mailing piece on several plastic stocks. When I showed it to our research man, who had this industry under observation, he remarked. "The plastic industry has growth, but this man is playing it the most speculative way. His stocks have expanded vertically and not horizontally." Each one of the companies made only one type of plastic and each a different kind. They had growth of sales and earnings. They were in a growing industry but they were all vulnerable because they stood to lose if any plastic other than the one they were making proved to be the best and most profitable.

3. Careful study must be made to determine what stage of maturity the industry or the company has reached. There are four principal stages of life in any company:

1. The early development stage which is speculative.
2. The youthful one of rapid growth which is less speculative because the character of the company and the management's ability have become more established.
3. Stable or mature growth. This is suitable to most investors.
4. Stagnation or decadence.

Beware of group (1) in their early development stage. It is true that new industries with growth trends bring new opportunities for profit, they also hold new dangers of loss. Look at the automobile industry in 1907. Only 44,000 cars were built and last year nearly 5,000,000 cars and trucks were produced. Certainly this is growth, but in that period over 300 different makes of cars had been produced while today there are seven large companies with 24 different makes.

Radio was a growth industry and gave opportunities for profit but it had its dangers. In 1924 there were about 3,000 manufacturers of parts for home assembly and around 300 setmakers. Two years later in 1926, there were only a few makers of parts and the set manufacturers had dropped to around 40. Even then it took years until Zenith, Philco, Stromberg Carlson and a few others emerged as the companies which would really prove profitable in an industry with such dynamic growth.

Safest Way to Buy

The most successful and the safest way to buy growth is to do so when the companies have entered the second and third phases of development. These less vigorous and more stable periods, while the growth may be slower, are less dangerous. Yet elements of risk still remain.

The management must be watched carefully and supervision continued at frequent intervals. Sometimes the growth trend of an industry is so strong that it carries the management and makes them look good.

Let us take the case of a company that had dynamic growth from 1936 to 1946 when it encountered problems that had not been presented before, such as increased costs, competitors conducting aggressive merchandising campaigns, and the like. The management was not prepared for these new experiences and as a result the stock lost much of its values.

Still another management was able to build sales at a rapid rate by developing new products. It had a strong growth trend of sales but you can't run up hill all day without stopping once in a while to catch your breath. This management was so enamored with growth of sales that it refused to pause, consolidate and control costs. Sales mounted but the margin of profit dropped so that net earnings did not reflect the increase in sales. This company is experiencing difficulty today because with a relatively small fall-off in sales it was handicapped by a narrow profit margin. Constant supervision of a management alone can detect this weakness.

Another hazard in growth stocks is the development of new products through industrial research. The research laboratories in this country can truly be called "The growth industry of this country."

In this connection it must be remembered that there are few new markets. New products replace the old. Research and alert supervision are necessary to keep abreast of the many changes that are coming so quickly from our laboratories.

They Buy Future Income

Most investment company managements consider their most difficult task to be "timing."

Why does growth appeal to our management? — because it will bail us out of mistakes in timing.

Growth stocks are a way for the investor to buy future income. For example, 100 shares of National Investors, 10 years ago, cost around $530. The income the first year was $22, or 3.8%. Today those who have retained capital gains distributions in stock have 116 shares. Based on the past 12 months, the income was $47.56 or 8.3% on the original cost. This increase in income was accomplished in spite of the fact that growth stocks as a rule pay out a relatively small amount of their earnings in dividends.

Growth stocks offer the investor an opportunity for capital appreciation. The majority of those buying common stocks are investors as contrasted with stock traders. Many are business and professional men who are saving some of their earnings and desire, through the stocks they purchase, capital appreciation.

Evidence that the majority of stocks are held by investors is shown by the fact that last year only 14.98% of all stocks listed on the New York Stock Exchange traded. Since some of these traded more than once, 85 to 90% of all stocks on the Big Board are held by investors.

Growth stocks are the ideal means of investing for these investors who stored their securities away in strong boxes. In normal times the long-term growth of earnings and rising dividends will be reflected in higher market prices.

Cyclical stocks, such as U.S. Steel, are not suitable investments for the investor. They are vehicles for the trader because the rise and fall of their earnings, dividends and markets are directly linked with the ups and downs of general business.

Successful investment in them is solely dependent upon timing, whereas in growth stocks the long-term growth of earnings is constantly working for the investor and lessening the importance of timing. Growth stocks furnish the investor an excellent medium of investment which minimizes his great weakness—buying at the wrong time.

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Rate Increases Would Vary Under B. C. Tel. Schedule

What will telephone rates be in future?

British Columbia Telephone's proposed new rate schedule, if approved, will result in a 17% increase over estimated annual gross operating revenues based on present rates and on scale of operations expected to be in effect on Dec. 31, 1949. Under the proposed rate structure, exchanges would be placed in groups according to the number of telephones served. Each group would have its own schedule of rates, and the rates would be graduated upward from the small exchanges to the large. The company points out that extensive rate adjustments to fit the exchanges into the grouping plan do not make uniform increases feasible. There will be considerable variation in the amounts of the increases, and in some cases there will actually be reductions.

Here are present and proposed rates for Vancouver and Victoria:

TELEPHONE RATES

Business Services:	VANCOUVER Present	VANCOUVER Proposed	VICTORIA Present	VICTORIA Proposed
Individual ...	$7.50	$10.50	$5.50	$7.50
Measured ...	5.50	6.00	3.30	4.75
Multi-Pty. ..	6.06	7.00	3.30	5.25
PBX Trunks 1-Way	7.50	11.50	5.50	8.50
PBX Trunks 2-Way	9.50	14.00	7.00	10.00
Semipub.	6.00	8.00	5.50	6.75
Extens.	1.00	1.50	1.00	1.50
PBX Telephone .	1.50	2.00	1.50	2.00
Residence Services:				
Individual ...	3.50	4.50	3.30	3.75
2-Party	2.50	3.50	2.20	3.00
Multy-Pty. ..	2.20	3.10	2.00	2.75
Extens.	.50	1.00	.50	1.00

All present rates quoted (exclusive of trunk and pay station rates) are for standard wall telephone. In addition, there is a surcharge of 25 cents at present for a wall Monophone or a standard desk telephone and a surcharge of 40 cents for a desk Monophone or a hang-up Monophone. Under the new schedule, there would be a single rate for each class of service in a group, regardless of the type of instrument.

Union Gas Completes Kimball-Dawn Line

Union Gas Co. of Canada has completed construction of an 8-in. pipeline from its Dawn storage field to the Kimball field of Imperial Oil Ltd.

The line was started early in July to give the company a direct connection between the Kimball field and its central metering and storage station. The big well brought in on Aug. 3 by Imperial Oil makes the Dawn-Kimball line even more important.

For the past year and a half the Kimball field had been connected to Union Gas Co.'s Sarnia-Dawn line which carries gas from its Sarnia plant to Dawn for storage. The Sarnia plant reforms by-product still gas from the Imperial Oil refineries. This connection was a temporary measure as still gas has different characteristics than natural gas. As a result it was important that the gases be segregated, Mr. Weir said.

Built by Shaw Construction Co. of Sarnia the pipe line goes straight as an arrow for nine miles, 3,800 ft.; is coated and wrapped throughout its length as a protection against corrosion and its 20 ft. joining have been welded into one continuous pipe.

ST. LAWRENCE CORP. had 213,662 outstanding second preferred shares at Aug. 22.

U. S. Newsprint Stocks Up As Canada's Output Grows

MONTREAL (Staff)—Production of newsprint in Canada for the first seven months this year totaled 3,027,025 tons, an increase of 5.7% over the same 1948 period, Newsprint Association of Canada figures show.

One of the important factors in the increase was Newfoundland's 22% output rise, due to greater capacity. For comparison, Newfoundland totals are included in the 1948 Canadian figures.

July production was down from a year ago, since there was one less working day, but production per day was up 4% from July, 1948. Canadian shipments in July totaled 412,127 tons, of which 85.7% went to the U. S. Shipments for the seven months amounted to 2,962,999 tons (2,809,824 Jan.-July, 1948), including 2,501,110 or 84.4% (2,338,868 or 83.2%) to the U.S.; 193,809 (174,713) to the domestic market and 268,080 (296,243) to others.

Total North American production up to the end of July was 3,547,995 tons (3,357,624). Mill stocks on hand at the end of the period were 185,397 compared with 176,964 at June 30 and 155,622 tons at July 31, 1948.

Meanwhile, U. S. consumers' stocks of newsprint increased by 47,031 tons in July to 719,429 tons or 49 days' supply. Last year at this time, consumers' stocks were only 598,000 tons or 37 days' supply.

Canadian mills were producing in July at 101.2% of rated capacity compared with 102.1% in July, 1948. It should be noted however, that Canadian capacity has increased to 5.1 million tons annually, based on 308 working days per year, against 4.9 million tons in 1948 (309 working days).

Zellers' Sales Higher for Half

MONTREAL (Staff) — Zeller's Ltd. showed a substantial increase in sales during the first half this year with Feb. 1 to July 31 total amounting to $10,315,960 against $8,897,449 in the same 1948 period. Net profit increased to $468,483 ($425,339).

The 15.94% increase in sales was partly due to coming into operation of new stores. On a store-for-store comparison, exclusive of those not in operation in the first half of 1948, sales increase was 9.13%, President Walter P. Zeller pointed out.

Earnings per common share amounted to $3.12 for the six months' period ($2.96 a year ago, $6.80 for the full 1948-49 fiscal year). Since the first half is the less active portion of the retail business year, results thus far give promise of very satisfactory year's operations, Mr. Zeller noted.

Construction has begun on sites for new stores which company has contracted to lease on Bloor St. W., Toronto, and Queen Mary Road, Montreal. Both are scheduled to open in the spring of 1950. Company has also started extensive renovations on James St. N. store in Hamilton.

Big Alta. Contract For Photo Survey

Photographic Survey Corp. of Toronto has been awarded a contract, at close to $1 million, for aerial survey and mapping of 180,000 sq. miles of unmapped Alberta territory, the provincial government has announced. The project will complete the mapping of Alberta's 255,000 sq. miles.

Alberta's booming oil industry will probably be the first to benefit from the new survey, it is stated. The exploration and development problems will be simplified as the new maps, accurately prepared at a scale of 1 in. to the mile from aerial photography, become available. A forest inventory of 95,000 sq. miles will be compiled and forest operators will have access to the maps and inventory information in planning their operations. Mining explorations should also be assisted.

Aircraft will begin work at once. Five planes will be engaged in the job next summer and photography is expected to be completed by the end of 1951. Interpretation, mapping and forest inventory work will be carried out in Photographic Survey Corp.'s Toronto laboratories.

CANADA VINEGARS LTD. ticker symbol for Montreal Stock Exchange was changed from CVA to CVG Aug. 29.

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B.C. IS BUILDING FOR THE FUTURE

A bronze tablet on a new dam in the central portion of the East Coast of Vancouver Island, British Columbia, reads:

"This tablet commemorates the naming of the first major hydro-electric project of the British Columbia Power Commission as

"THE JOHN HART DEVELOPMENT"

so named after the Premier of British Columbia whose vision and initiative brought into being the Commission for the purpose of improving the availability and supply of electrical power to the people of British Columbia."

December 15, 1947.

The British Columbia Power Commission was established in 1945, pursuant to the "Electric Power Act", passed by the Provincial Legislature during that year. This Act was the direct result of a report by the Rural Electrification Committee, a body appointed in 1943 "to secure reliable information in connection with the electrification of rural areas". The comprehensive report of this Committee established for the first time that of the 85 private Companies, Municipal Corporations and Industrial Concerns serving 206,723 customers in 1942, no less than 60 were organized to serve the small figure of 32,142 customers. Linked with this duplication of administrative effort, was the high cost of service which in many areas precluded the use of electricity for anything other than purely lighting purposes.

With these facts in mind, the "Electric Power Act", "an act to provide for improving the availability and supply of electrical power", was passed, and the British Columbia Power Commission appointed on April 17, 1945. The Commission commenced operations on August 1, 1945, and within five months after its appointment, had acquired the electrical properties of three Companies and their subsidiaries serving 11,906 customers from generating plants totalling 10,355 kva. By July, 1949, a further 14,446 customers had been acquired from previous owners, while 10,411 additional premises had been extended the blessing of electrical service for the first time, bringing the total number served to 35,763. During the same period, the generating capacity has been increased six fold reaching 69,563 kva.

The operations of the Commission are Province wide, extending for nearly 10 degrees of longitude in the North, from Dawson Creek on the Alberta border, to Terrace near Prince Rupert, and from the Rocky Mountains at Golden to Nanaimo and the Albernis on Vancouver Island in the South-West corner of the Province. Major power developments are as yet confined to two areas: 100,000 kva installed at the John Hart Development, with a potential of 180,000 kva; and 25,000 kva being constructed at Whatshan on Lower Arrow Lake for supply to the Okanagan Valley and Kamloops on both transcontinental railways. At Whatshan, the ultimate capacity is 50,000 kva.

With 283 miles of high voltage transmission line in operation, much of it at 132 kv, and work underway on a further 150 miles, the capital in operation, or spent on construction of the generation and transmission facilities of these two projects, has already reached the neighbourhood of $18,000,000.00.

As at the end of March, 1949, the capital assets of the Commission exceed $29,000,000.00, almost entirely advanced from the Provincial Government. The "Electric Power Act" as amended, permits the borrowing of $45,000,000.00.

Apart from the foregoing progress relating to customer and plant, the availability and supply of electricity has improved as required by the Act. During the last fiscal year alone, the power generated more than doubled, increasing from 54,000,000 kwh in 1947-48 to 129,000,000 in 1948-49. In two years, the average monthly residential consumption has increased by 30% (from 74 kwh to 90 kwh) while the average charge per kwh has decreased by 20%. An even slightly larger improvement in the commercial field was achieved during the same period.

This gratifying fulfillment of the purposes of the Act in so short a period, has been brought about by several factors—increased capacity, increased customers, more reliable transmission and distribution facilities, centralization of administration, and the adoption of promotional rates in 14 out of 20 power districts. The schedules in these areas permit the use of energy for residential purposes at the low final block rate of 0.72 cents per kwh. For large industrial use, the regular power schedule has a final block rate of 0.36 cents per kwh. Partly as a consequence of these promotional schedules, the average consumption in some districts has doubled while the average kwh charge has been halved since the Commission began operations. The Government-owned hydro-electric industry appears to be meeting well the power demands of a rapidly growing Province.

BRITISH COLUMBIA POWER COMMISSION

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August 25, 1949

How Choose Route for Trans-Canada?

The Question: What considerations should count most in determining route of trans-Canada highway?

Among the varied considerations in determining where a trans-Canada highway should run, directness of route is stressed more than any other by Post readers answering this week's Question.

Other important considerations urged are:

The highway's value as a tourist attraction; its strategic importance from the national defense viewpoint; its value to industrial and commercial centres and in opening up new areas for settlement; the possibility of maintaining year-round traffic; its competitive position with alternative U. S. highways; economy in original and upkeep costs.

R. H. BAKER, Manager, Vancouver Tourist Association, Vancouver, B.C.

The most important factor is maximum service. This means the route which links most important Canadian centres, yet is not so close to U. S. border that it would parallel and have direct competition from main U. S. highway.

Second consideration is earliest possible date route could be completed as paved highway. Selection of route which would involve many years of further construction would be unwise if it involved considerable delay in finishing a paved trans-Canada highway.

Third consideration should be practicability of year-round maintenance.

Fourth consideration would be development and opening up new territory within Dominion.

• • •

JOHN BARNETT, Manager, Ontario Branch, Credit Foncier Franco-Canadian, Toronto.

Considerations are: first, historical setting; second, attractive varied scenery, both modified by financial costs. Direct route is impossible because of geography; length, therefore, is unimportant except as to costs. Above considerations impel St. John River route in New Brunswick and river crossing at Quebec City. Georgian Bay and Superior shoreline should be followed as far as possible and the old fur traders' route from Fort William to Winnipeg. Thence from both scenic and historical reasons the route should be northerly via Prince Albert and Edmonton, thence following ancient routes via Jasper and down North Thompson River to Kamloops.

• • •

ERNIE CALVERT, President, Northern Ontario Outfitter's Association, Rainy River, Ontario.

Trans-Canada highway should be a show window to all our attractions for our visitors so should pass through varied territory. It should be within 200 miles of U. S. border so feeder roads from American cities would be short to attract and keep American traffic. It should be hard-surfaced. It should be as straight as possible not trying to cover all cities in Canada.

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DALTON J. CASWELL, President, Hotel Association of Canada, Sunridge, Ontario.

In determining the route, the following should be kept in mind: most direct route possible from coast to coast for quick transportation of supplies and equipment in time of war. Open up new territory of vast unpopulated areas, rich in beauty, minerals, oil and timber. It should also be located so as to serve the large industrial areas of Canada. This may mean alternate routes through some sections to further Canada's already important tourist industry by providing a scenic route of first-class paved highway across Canada to further unite Canada from coast to coast, and in particular the east with the west.

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E. C. GILLIAT, Managing secretary, Winnipeg Board of Trade, Winnipeg.

I would give first consideration to practical utility of route to individual and commercial traffic to be served, both national and local. Factors logically arising include shortest over-all mileage also between strategic cities with due consideration to original and upkeep costs. There is a possibility of maintaining year-round traffic to stabilize investment in servicing amenities and for strategic defense.

Maximum scenic attractiveness should be developed en route with first-class connecting highways to national parks and other major tourist attractions. To make most of investment, construction should be outstandingly first-class to hold its own with competitive alternative highways in the United States.

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DOUGLAS B. HALL, Manager for Canada, General Accident Fire and Life Assurance Corp.

We must look at the trans-Canada Highway from a national rather than a regional standpoint. The possibility that it might some time have to be used as a military highway for the movement of troops and supplies should be given consideration. The route chosen should have the blessing of the military authorities. In the selection of a route safety is most important. It must be direct to minimize driving fatigue. Cities and towns should be by-passed, thus avoiding traffic. Rather than contort the highway to take in points of scenic or historic interest, good feeder roads should be provided by the provinces.

• • •

W. J. HUSSEY, secretary, Chamber of Commerce, Sault Ste. Marie, Ont.

Vital considerations are distance, direct connections and scenery. Route around Lake Superior would be shortest, most direct and most attractive. Other important considerations are value to travel, industrial, and recreational development. Route through here would provide tour known as the Grand Rounds of the Great Lakes. Tourist and industrial potentialities are of commercial importance to any national highway. National defense should also be taken under advisement where this highway is concerned, particularly in the north and northwest. The opening of route around Lake Superior would solve all these considerations.

• • •

RUPERT JACKSON, The Telegram, St. John's, Nfld.

To a "new Canadian," your question is a bit of a poser. So far as Newfoundland itself is concerned, main consideration should be road route which would open up greatest part of presently isolated territory so far as possible. I would say that same should apply to rest of Canada. In other words, on the mainland the trans-Canada highway should be routed so that it would give the greatest amount of service to the greatest number of people.

At the same time, consideration should be given to use of road for defense purposes in Newfoundland. This would mean straight east-west road cutting across southern part of the Island into the mainland of Canada. This would put emphasis on the north, probably meaning a system of feeder roads running into trans-Canada highway from the north of four western provinces.

• • •

GRANT MACEWAN, Dean of Agriculture, University of Manitoba, Winnipeg.

Tourist traffic, having practical importance, will not be overlooked in routing trans-Canada highway. But an important traveler on that road will be the Canadian out to see and know more of his Canada. He should be encouraged. Better understanding of Canada by Canadians is essential to progress and unity and the route should present the most significant national cross-section. Highway service to existing concentrations of population and acsibility to Canada's new north with beauties and riches are factors. In fairness to government administration it should be said that a nation of 13 millions cannot overlook economy in routing.

• • •

H. A. MANN, secretary, Canadian Industrial Traffic League, Toronto.

If the highway is to be more than a symbol of national unity, consideration of its route will involve close attention to Canadian transportation characteristics. The route should be geared to present and anticipated traffic flow, utilizing, wherever possible, existing adequate highways. It should connect as many large centres as feasible in consistence with minimum mileage.

Conceivably, short feeder highways to be built later would combine the features of minimum mileage and maximum use and give certain traffic originating and receiving areas the benefit of the highway without compelling undue deviations of route. Scenic, developmental and defense considerations will enter.

• • •

JOHN MARSHALL, Associate editor, Windsor Star, Windsor.

Principal purpose should be to provide a through route from one end of Canada to another. It should be designated for this purpose, rather than as a connected group of local roads to serve cities or towns in various parts of Canada. It should follow the shortest, straightest route possible, compatible with good road bed and reasonable cost. Pressure groups from any cities should be ignored. The shorter and straighter the highway, the more will use it. This trunk road can be connected with cities and towns by side highways and, in the long run, they will benefit by the direct route having been chosen.

• • •

B. PANET-RAYMOND, K. C., Montreal, past national president, Association of Canadian Clubs.

I would recommend:

1. Close co-operation with all provinces concerned.
2. Selection of most suitable ground and location, avoiding going through cities or villages.
3. Treating such a huge enterprise as purely a business operation and not as a political tool.
4. Putting best available engineers in charge of building such a highway.

• • •

R. M. SMITH, Vice-president, Par-Tex Foundation Co., Toronto.

Of first importance—by-pass cities, towns and villages—conveniencing these points, however, by easy access, entrance etc. Cost of construction and protection from a military point in case of hostilities are added factors that must be considered.

• • •

H. G. L. STRANGE, Director, Agricultural Research Dept., Searle Grain Co., Winnipeg.

Suggest road should run from Atlantic to Pacific as straight as possible, passing through towns where travelers can obtain gasoline, oil, repairs, a comfortable bed and good food. Important point, I believe, is not where road should go but when Canadians will be able to travel from Pacific to Atlantic in safety on an all-Canadian road. The trans-Canada highway is long overdue.

• • •

W. J. S. WALKER, Executive secretary, National Parks Association of Canada.

The trans-Canada highway is more than a convenient trunk road. In world-wide competition for the profitable tourist trade, it is also Canada's show window to display to the best advantage our holiday opportunities in our delightfully diversified scenery, with its cool restful nights, invigorating climate and freedom from venomous reptiles and insects. Unlike the sale of the products of our forests, mines, and agriculture, scenery and climate remain intact, and according to their popularity with the tourist, and the quality of accommodation and service provided, entertain the tourist and develop Canada's income.

Int. Paper Net Prof. Down For Half Year

MONTREAL (Staff) — With net in the second quarter 29% lower than last year, International Paper Co. showed consolidated net profit of $24,649,329, or $5.95 per share, for the six months ended June 30. In the same period last year, company had net of $28,556,437, equal to $6.49 per share.

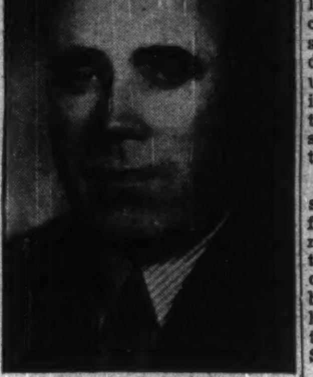
Gross sales, less returns, allowances and discounts totaled $208.3 millions in the first half ($221.4 millions) a drop of 6%. Second quarter sales were down 16% at $97.2 millions ($115.3 millions), with net profit amounting to $10,834,498 ($15,243,029).

Because depreciation charges over a period of years provide for the replacement of capital assets at their original cost but do not provide for their replacement at present-day higher costs, company last year set up a reserve for replacement of capital assets at current costs. Appropriations to this reserve totaled $6 millions in 1948, $3 millions in the first half of this year.

However, President John H. Hinman pointed out in a letter to shareholders last week that these appropriations were made in the expectation that the accounting profession would approve application of such a reserve to reduce the book value of high-cost replacements. It now seems clear that no such action can be expected, he said, and directors have voted to discontinue further appropriations to this reserve.

Appropriations out of first half earnings in 1948 also included $2 millions for possible decline in inventory prices, but none has been made this year. President Hinman noted three months ago that the company did not anticipate any further need to appropriate funds for inventory reserve. A total of $12 millions had been set aside for this purpose in 1947 and an additional $6 millions in 1948. The so-called seller's market came to a close, so far as most of the paper industry was concerned, during the latter part of 1948, he said.

INDUSTRIAL ACCEPTANCE CORP. new 80,000 cumulative convertible $25 par preferred shares were admitted to trading on the Montreal Stock Exchange Aug. 29. Shares are convertible into common shares on share-for-share basis till Aug. 15, 1954. Authorized common stock has been increased from 300,000 to 500,000 shares.



JOHN J. McCARTNEY

H. A. Saunders, President of Galt Brass Company, Limited, announces the election of John J. McCartney of Galt, as First Vice-President.

You are invited to a demonstration of new **IBM** products, including Electronic developments, at the **IBM** Exhibit in the Business Equipment Building at the Canadian National Exhibition.

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and
MR. HERBERT B. BELL
have been admitted to partnership in this firm

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The Investment Dealers' Association of Canada
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Branches: Chatham, Galt, Kitchener and Windsor
Sept. 1st, 1949.

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BOOKS FOR BUSINESSMEN

BRASS HAT OR EXECUTIVE, by Dr. Lester F. Miles; published by Longmans, Green & Co., Toronto; 269 pages; price $3.75.

The word "progressive" should precede "executive" in the title above, as it does all through Dr. Miles' analysis of one of the big problems of management, individually and collectively.

The author of "It Pays To Be Lazy" here takes apart the primary functions of executives, shows how some are progressive in their thoughts and actions, others are hidebound "brass hats."

Dr. Miles doesn't pretend to offer his readers a painless transition to the status of progressive executive. He does offer an interesting discussion on the points which make a good executive; pointed comments from top-ranking U. S. businessmen, and two tests for executive self-appraisal. His book makes interesting reading—and to those who are interested, should be helpful.

PEACE OR PESTILENCE, by Theodor Rosebury; published by McGraw-Hill Co. of Canada, Toronto; 218 pages; price $3.50.

Dr. Rosebury, in this discussion of the possibilities of Biological Warfare, appears to come to only one conclusion: Let us have peace!

He speaks of the possible horrors, the uncertainty, of Biological Warfare, from experience. He was wartime chief of the Airborne Infection project at U. S. Biological Warfare Headquarters; is now associate professor of bacteriology at Columbia University.

"There is no single biological agent and no combination or mixture of such agents that I can imagine capable of wiping out all forms of life in any area, large or small," is Dr. Rosebury's assurance. However, he points out that the biologist in warfare can make use of scores of agents, and turn them loose on the enemy in many ways, to cause panic, sickness and death.

5,000 FACTS ABOUT CANADA; published by Ontario Publishing Co., Toronto; 134 pages; price 35c.

The 1949 edition of this concise booklet comes late in the year, but the editors have made up for it by the inclusion of this year's provincial and dominion election results, and data relating to Newfoundland, the 10th province. Listed also are Canadian representatives abroad and foreign representatives in Canada and statistical highlights on many phases of Canada's economy.

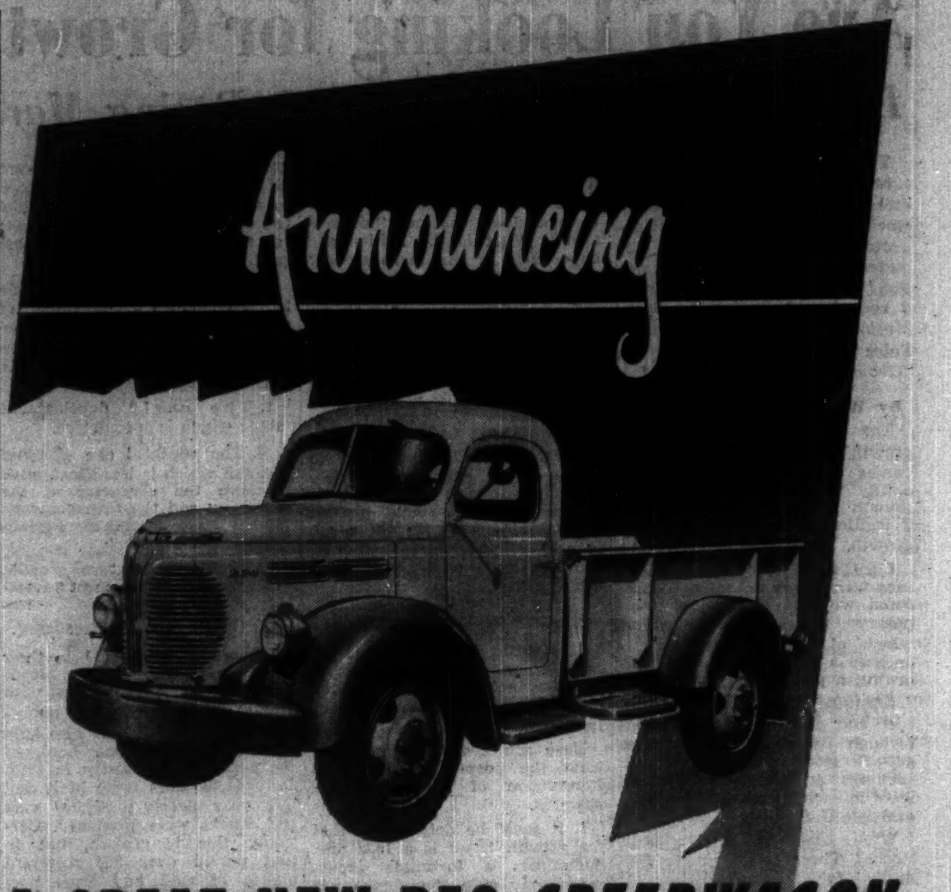
7-Month Revenue Of CNR is Down

MONTREAL (Staff) — Net revenue of CNR for July amounted to $396,000, compared with a net operating deficit in the same month last year of $8.3 millions. Operating revenues were slightly lower, but the July, 1948, expense figures included provision for $10.1 million wage increases retroactive to March 1 of that year. Comparative statement follows:

	1949 $	1948 $	Incr. $
Month of July			
Opr. rev.	41,405,000	41,801,000	*396,000
Oper. exp.	41,009,000	50,124,000	*9,115,000
Net rev.	396,000	*8,323,000	8,719,000
7 Months Ended July 31			
Oper. rev.	278,179,000	270,265,000	7,914,000
Oper. exp.	276,833,000	267,482,000	9,351,000
Net rev.	1,346,000	2,783,000	*1,437,000

*Loss or decrease.

MAILMAN CORP. advises that further 30 shares of preferred stock have been redeemed and cancelled. Of 16,645 preferred shares outstanding, 16,210 are Mailman Corp. preferred and 435 British Rubber Co. preferred not yet exchanged.



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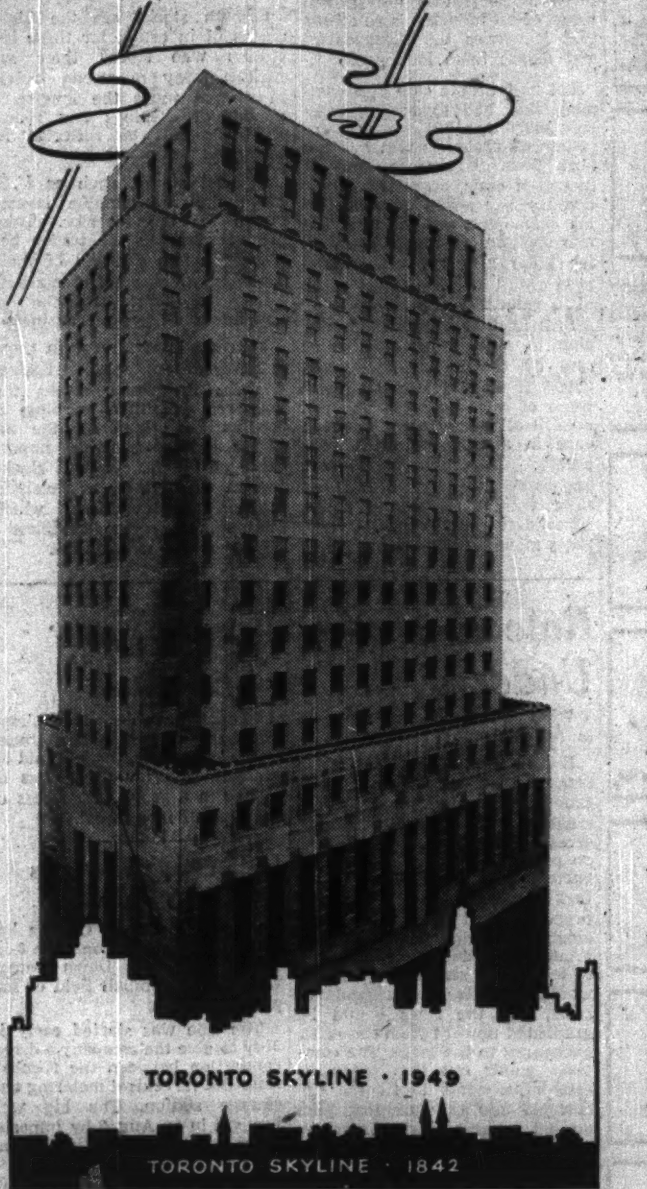

REFLECTING

The growth of a city and of a relationship

The imposing new Bank of Montreal building in Toronto reflects the growth and development of the Queen City's ever-changing skyline.

It is a reflection, also, of 50 years of friendly association between client and contractor. Since 1901, when Anglin-Norcross remodelled and enlarged The Head Office of The Bank of Montreal, much of the Bank's expansion work has been entrusted to Anglin-Norcross. This newest building is further proof of their mutual trust and respect.

The Bank of Montreal is one of the great Canadian institutions that have come to rely on Anglin-Norcross for service and integrity. Many of the finest buildings that make up Toronto's unique skyline are evidence that this reputation for dependable construction work is well deserved.

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Insurance Superintendents Propose To Revise Auto Owners' Insurance Policy

One of the more important items on the agenda of the annual conference of the Provincial Superintendents of Insurance at St. Andrews, N.B., next week, is a new draft automobile owners' insurance policy. This is the second draft of the new policy submitted to the conference, the first having been discussed at the 1948 conference in Victoria.

Features of the revised draft policy are broader cover in the regular contract itself, elimination of the need for endorsements and greater flexibility in such coverages as fire and theft.

The revised draft embodies changes suggested by interested parties after the 1948 conference.

Combined Coverage

At that time there was some criticism of a proposal to combine public liability (for bodily injury to others) and property damage into one cover with a single limit of $11,000. While this provided standard limits of $5/10,000 for bodily injury and $1,000 for property damage, it was felt it might be desirable to have separate limits shown for the two coverages. This is done in Section A of the new draft policy, but the two coverages are shown in one insuring agreement in the policy.

Another feature of the proposed policy is Section B giving insurance against medical expenses incurred by persons injured while in the automobile. This apparently includes the driver and owner of the car as there are no exclusions in the clause.

Section C of the insuring agreements includes coverage for collision or upset, comprehensive cover against loss or damage to the automobile except by collision or upset but including fire and theft. It is understood this would automatically give protection on the car radio and similar equipment. Section C also includes insurance against loss due to fire and transportation and theft or attempt thereat.

Individual Covers Available

The different covers given in Section C may be purchased independent of each other. Thus insurance against fire or theft insurance may be purchased separately if desired.

In the proposed policy the word "automobile" where it occurs includes not only an automobile described in the policy but also includes another private passenger car which the insured may drive.

Thus a note on the proposed policy explains that protection given by sections A and B of the contract, applies not only to the owner's automobile but to any other automobile, of the private passenger type, while being personally driven by the insured or by his or her spouse subject to the provisions in the definition of "automobile" below.

Spouse is Protected

Thus the new policy would give protection to the owner of the car insured and his or her spouse while driving another person's car.

The statutory declaration at the foot of the policy is altered in the first line. The words "Where an applicant for a contract falsely describes the automobile to be insured—" are changed to read: "Where an applicant for a contract gives false particulars of the described automobile to be insured—."

In the first draft, the policy was worded to give the desired protection "within Canada, Newfoundland or the United States of America." It now reads:— "within Canada or the continental United States of America." Since Newfoundland is now part of Canada, separate reference to it is no longer necessary. The word "continental" before the United States makes it clear that territories such as Alaska are not covered. In some quarters it is claimed protection should be extended to cover Alaska and insurers are asked to express their views on this point.

The inclusion of passenger hazard in Section A (Third Party Liability) is made definite by the new wording of Section A of the policy which includes passenger hazard "if a premium is specified therefor."

Medical Payments

The report of the insurance superintendents' standing committee on automobile insurance legislation and standard forms, comments regarding Section B covering medical payments as follows:

This accident insurance coverage written in Canada under an "accident insurance" license and by a separate accident insurance contract is permitted to be written in the United States as part of an automobile policy. In order to permit contracts of automobile insurance to be issued in Canada to include "medical payments" it will be necessary to amend the definition of "automobile insurance" contained in the Uniform Act. The question of the license of some automobile insurers to write this type of accident insurance will require clarification from the Dominion Department of Insurance and negotiations in this regard are pending.

After considerable discussion in committee and also with insurance counsel, the insuring clause of this section has been revised as follows: In the opening words "The insurer agrees to pay to or for each person." The words "to or" have been eliminated. After the word "automobile" in the second line, the words "within Canada or the continental United States of America" have been added. A comma has been added after the word "incurred" in the third line.

Without the comma the line would not make sense, reading that the insurer agrees to pay, for each person who sustains bodily injury caused by an accident while driving . . . all reasonable expenses incurred within one year from date of accident. Some of the other changes are to correct punctuation making the meaning clearer, etc.

Automobile Defined

The new policy defines automobile when used under Section A, (Third Party Liability), B (Medical Payments), C Loss of or Damage to Insured Automobile as follows:

(1) Described Automobile—an automobile or trailer described in this Policy; the word "trailer" includes semi-trailer;

(2) Newly Acquired Automobile—an automobile, other than an automobile held for sale by an automobile dealer, ownership of which is acquired by the Insured and, within fourteen days following the date of its delivery to him, notified to the Insurer, in respect of which the Insured has no other valid insurance, if either it replaces an automobile described in this Policy or the Insurer insures (in respect of the section A, B or the subsection 1, 2, 3, 4 of section C of the Insuring Agreements under which claim is made) all automobiles owned by the Insured at such delivery date, and in respect of which the Insured pays any additional premium required;

And under sections A (Third Party Liability), B (Medical Payments) only.

(3) Utility Trailer—a trailer, not described in this Policy, designed for use with an automobile of the private passenger type, other than a trailer being used for business, passenger carrying or commercial purposes or a cabin trailer or trailer home;

(4) Temporary Substitute Automobile—an automobile not owned by the Insured nor by any person or persons of the household of which the Insured is a member, while temporarily used as the substitute for an automobile described in this Policy which is withdrawn from normal use because of its breakdown, repair, servicing, loss or destruction;

(5) Any Other Automobile of the Private Passenger type, while being personally driven by the Insured, or by his or her spouse, provided that (a) the Insured is an individual; (b) the spouse is a member of the Insured's household; (c) neither is engaged in the business of selling, repairing, servicing, storing or parking automobiles; (d) such other automobile is not owned, hired or leased by or not furnished for regular use to the Insured or his or her spouse or any person or persons of the household of which the Insured is a member; (e) neither such other automobile nor the described automobile is used for carrying passengers for compensation or hire or for regular commercial delivery.

Thus the protection given by the policy is substantially broadened.

Mailmans For Can. Loco. Board

MONTREAL (Staff)—Both A. L. Mailman of Montreal and his brother, J. L. Mailman of New York have been made directors of Canadian Locomotive Co., President W. J. Langston informs The Financial Post. This confirms earlier reports that the Mailman interests had acquired a sizeable block of Canadian Locomotive common stock.

Although the size of their holdings was not disclosed, the Mailmans now hold what Mr. Langston described as a "substantial interest" in Canadian Locomotive. The block of shares does not represent numerical control, The Post is told, and is held by the Mailmans, not Mailman Corp.

The two new appointees to the board replace J. A. McDonald, Kingston, and G. M. Todd, Montreal, who resigned because of ill health, President Langston said. Mr. McDonald will continue as vice-president and general purchasing agent.

Textile Sales Bring 50% Of U. K.'s Canadian Dollars

MONTREAL (Staff)—Canada must maintain a well-developed textile industry, and moderate tariffs so adjusted as to keep it in healthy operation, W. M. Berry, secretary of the Primary Textiles Institute, this week told the National Garment Manufacturers Association convention in Winnipeg.

The industry was of vital importance in the two great wars in providing textiles for Canadian civilians and armed forces and our allies, he added. In more normal times, it has built up a steady source of employment in hundreds of communities in every province. Most of the communities are small and in many the local textile factories provide the sole or chief source of livelihood.

Development of the industry can, and often has, resulted in lowering rather than raising prices, Mr. Berry said. He cited the period immediately following the last war when other textile-producing nations did not want to sell here, despite low duties or none at all, because they could get higher prices elsewhere, especially in countries without a well-developed textile industry of their own. The strength of the domestic industry kept Canadian prices down and provided goods in volume.

Mr. Berry also questioned whether the existence of the Canadian industry reduces imports from countries where Canada must sell its natural products. Taking the U. K. as an example, he suggested that the industrialization of Canada has made it a far larger and more lucrative market for British manufactured goods; that, in addition, Canadian industries buy many raw materials from the sterling area which help finance our sales to Great Britain.

The Canadian textile industry alone bought over $31 millions of wool and other primary raw materials from sterling countries in 1948. If manufactured textiles are included, the total last year was $196 millions—equal to the value of all the grain of all types shipped to Britain that year. Almost half the dollars earned by U. K. sales in Canada are now derived from textiles and textile products.

If we were dependent now on imports for clothes, the high cost of U. K. goods would have forced us to buy the greater part of our needs in the U. S. with a consequent heavy drain on U. S. dollars. As for free trade with U. S., Mr. Berry doubted such a tariff agreement could be guaranteed to last permanently. Who would pay if the industry were faced with a second costly reorganization while still absorbing the costs of the change over to specialized production, he asked.

Tariffs are no longer the outstanding factor in international trade which they once were, in these days of currency controls, import and export licenses, and direct government trading and barter arrangements. Despite lower tariff levels now, world trade is in even more difficulties than ever, he claimed.

Tariffs are merely one of several forms of assistance provided by government for the country's industries. The textile industries have had a measure of tariff protection which is about the lowest of any textile-producing country in the world, Mr. Berry said.

$70 Million CN Issue Offered

MONTREAL (Staff—A $70 million CNR bond issue was offered this week by a syndicate headed by Dominion Securities Corp. The new bonds, which bear a 2⅞% interest coupon, will be dated Sept. 15, 1949, and mature Sept. 15, 1969.

Offering price was 99.625 to yield about 2.90%. Both interest and principal are payable in Canadian funds, and are unconditionally guaranteed by the Government of Canada.

Proceeds are for refunding of $57,728,500 principal amount of CNR 5% bonds due Oct. 1, 1969 which have been called for redemption Oct. 1 this year. Funds from the new issue will also be used for refunding certain other obligations matured or maturing in 1949, and to repay federal government loans.

CONSTRUCTION TRENDS By **CLIVE CHATTOE**

See Provinces Taking Cities' Housing Load

"Edmonton has spent or lost in taxes about $3 millions in subsidies for low-rent houses built to Ottawa order under Dominion-municipal agreements. The limit of this municipal subsidization has been reached."

So Mayor Ainlay told Reconstruction Minister Winters the other day during the latter's view-finding tour of provincial capitals.

Mayor Ainlay said, after the conference with Canada's housing chief:

"It seemed agreed that there must be a new building program of small homes for occupancy on a lease-purchase option plan, that is, by a tenant who pays, besides rent, a monthly sum toward optional purchase within a fixed period.

"It seemed agreed that for new homes selling outright, the provinces should join the Dominion and the big lending institutions to increase loans, and correspondingly reduce down payments.

"It seemed agreed that for any future subsidized rental housebuilding, the municipal contribution should be ended or cut to the bone; that costs of watermains, sewers and streets, and of tax reduction measures should instead be met entirely or largely by provincial and federal governments, and that administration of such projects and properties should be by provincial governments in association with local authorities."

At that, Mr. Ainlay seemed closer to the mark than most other observers (The Financial Post, Aug. 6 and 20). On all three counts his impressions appear to conform with new proposals shaping in Ottawa to revise housing policy, legislation and financing.

* * *

Regent Park Unit Costs Like Those of Year Ago

Construction costs in the Toronto area have yet to show any major signs of moving lower.

That's the consensus following an examination of contracts for the next three units of the Regent Park Housing scheme, Canada's first city-sponsored, Ottawa-subsidized housing re-development project.

Figures presented in first newspaper reports made it appear that initial units built last year were at an average general contract cost of $7,052 per suite, against $5,693 per suite for 144 suites now being started by W. B. Sullivan Construction Co., at a contract price of $819,782. Plainly the story suggested that construction costs might have dropped about 19% in less than a year and a half.

The facts of the Regent Park contracts contain no such indication.

George Hardy Ltd. built the first block of 48 suites. But included in the Hardy contract price of $338,846 in March, 1948, was about $25,000 for a large central heating plant to serve the whole development.

According to the architect, J. E. Hoare, Jr., and contractors concerned, the per suite cost, or by cubic foot rating or any other "unit" cost measurement, contractors' prices on all sections of the program to date have been "much alike."

* * *

Contracts and Plans: Montreal's civic administration has awarded a contract at about $717,565 to Foundation Co. of Canada. It calls for immediate construction in Rosemount ward of a health centre-library-public bath group of buildings. . . . In Alberta over $9.7 millions of new school buildings are going up, plus three divisional offices of the Dept. of Education, a dormitory and a workshop. Some 356 classrooms were under way in July, of which 100 represented additions of a room or two to existing schools.

Ont. Municipal Aid Plan Raises Hopes and Fears

How effective will the checks and safeguards be?

Will decisions be free from political interference?

Those were the questions investment men ask about the Ontario Government's proposal to make money available to municipalities at low rates of interest to finance development of waterworks, sewers, incinerators and sewage disposal or the extension of works already in existence.

In announcing the proposal this week, Premier Leslie M. Frost stated that the government proposed to incorporate a Crown company—Ontario Municipal Improvement Corp.—with authority to borrow on the guarantee of the province up to $50 millions and authority to purchase debentures of municipalities at rates of interest which would represent about the province's cost. Projects which the municipalities contemplated would have to be within the borrowing powers of the municipalities and be subject to the usual scrutiny of the Ontario Municipal Board, he stated.

All investment men want more details regarding the working of the proposed Crown company and, in particular the answers to the above questions, before coming to any general decision but, subject to these reservations, the consensus was:

(a) **For municipalities**—Rapidly growing new municipalities and small rural municipalities would benefit. Only those others whose credit rating was poor would likely be interested. Those with a good credit rating would probably prefer to maintain their independence and do their own borrowing. (The credit rating of a municipality is not dependent on size but on financial position, i.e. ability to pay and on willingness to pay, investment men stress.)

(b) **For investors**—It would remove another avenue of investment available to give investors a slightly better return, and yet stay in the bond field.

(c) **For investment dealers**—Hardest hit would be smaller dealers who specialize in municipal securities. On an overall basis there should be at least the same volume of business and perhaps slightly more as a result of the proposal.

(d) **For the Province of Ontario**—It may prove an administrative headache. Can it enforce repayment in cases of default? To prevent default will require strict supervision of municipal finances not only for the particular expenditure but for all expenditures in some cases. Will the supervising body be able to draw a line between what is economic and what is uneconomic? If loans are not repaid, payment for the works will represent a charge on the general taxpayer in the province. If the volume of these loans became large enough or if there were a number of defaults it could affect the province's own credit.

(e) **For interest rates on Ontario municipals**—It would not affect rate for those Ontario municipalities which continue to borrow entirely on their own credit and there might even be some strengthening of their credit due to further scarcity of municipal bonds. There might be a weakening of the credit for those municipalities who finance partly under the government plan, dependent on the extent to which they financed in this way and its effect on the general financial position of that municipality. There might even be a tendency for some investors to want to withdraw their funds from such situations. It is recalled that among the most difficult municipal organizations to work out in the 1930's were those in which a debt was owing to the province.

One of the most alarming features mentioned by a number of investment men was that this appeared to be another move towards socialism. It is seen as the thin edge of the wedge which would eventually cause its application to cover all municipal financing. At present the government helps out in educational grants. Why should they not permit schools to take advantage of this proposed plan, it is asked.

In his address Premier Frost stated the plan had the following advantages:

(1) "It enables all municipalities, particularly the small ones to readily obtain money and this will assist all municipalities in proceeding with sewers, waterworks, sewage disposal and incinerator projects.

(2) "It will provide a uniformity in interest and also in principal repayments not presently applying.

(3) "It will reduce interest rates to the municipalities and particularly gives the smaller municipalities the advantage of interest rates which they cannot at the present time possibly obtain. It will also have the general effect of stabilizing municipal borrowings at a lower interest rate level.

(4) "It will not interfere with any municipality which desires to arrange its own borrowings. In fact it will assist because of the reflection of lower interest rates to the general run of municipalities."

U. S. Consumption Up Of Distilled Spirits

The apparent consumption of distilled spirits in June in the United States totalled 13,078,088 gallons, an increase of 4.9% over the consumption in June, 1948, but 222,696 gallons or 1.7% lower than in May 1949.

Total apparent consumption for all the United States during the first half of 1949 amounted to 77,771,243 gallons, an increase of 1.8% over the corresponding period in 1948.

TRANSPORTATION PROPOSALS INVITED

The City of London, Ontario, invites proposals for a bus or trolley coach transportation system under an exclusive franchise to commence at the termination of the present franchise in April, 1951.

Proposals should state term of years desired; type of system; minimum number of vehicles to be operated; headway for present and any proposed routes; and fare structure.

All proposals shall be in writing marked on cover "Transportation Proposal" and filed with the undersigned not later than September 30, 1949. For further information apply to—

R. H. COOPER,
City Clerk,
London, Ont.

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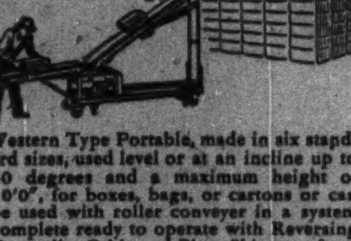

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You can reach regularly more prospects and customers than your sales staff can possibly see in person, through business newspaper advertising. Business papers reach out into every town and village where there is a person or firm engaged in your particular line of business, and they contact not one, but many of a firm's personnel whose opinions may influence the sale.

Let this effective selling medium perform part of your salesman's job, leaving him more time for the final steps in selling—presenting a specific proposal . . . closing the order.

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1. Seeking out prospects
2. Arousing their interest
3. Creating a preference for your product or service
4. Making a specific proposal
5. Closing the order

Business newspaper advertising performs the first three of these important sales steps more economically.

*The 102 member publications in the B. N. A. include one or more publications that can help your salesmen sell in your specific field. For the names of business newspapers in your field, contact the B. N. A. office.

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OF CANADA
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Here's Canada's Newest Bank Building — New Landmark In Downtown Toronto

Here's preview of Bank of Montreal's new Toronto main office building which opens for business Tuesday.

AT LEFT: The building, 16 stories, 224 ft. high, a small city in itself where 1,300 Toronto citizens will work. Bank occupies four floors, others are rented by 35 tenants.

CENTRE (top): The main banking room, 120 ft. long, 90 ft. wide, flanked by 20 Belgian Black marble columns.

(Bottom): First vault in Canada to have torch-resistant steel and copper lining [illegible] specially reinforced concrete —for protection against [illegible] and explosives.

AT RIGHT: Steel door weighing 40 tons guards contents of 3,000 safety deposit boxes. Despite its great weight, the door swings easily because of its delicate balance.

Explosive-Resistant Walls Guard Bank's New Vaults

The Bank of Montreal, Toronto main office, returns this week-end to the site where, more than a century ago, it was doing business. On this site (at the northwest corner of King and Bay Sts.) has risen a completely modern, well-equipped bank building—16 stories and 224 ft. high, with a three million cu. ft. interior.

Into this three million cu. ft. have gone three million hours of work by Canadian architects, contractors, engineers, sculptors and building people of every description. As well as being designed and built by Canadians, the building is constructed almost entirely of Canadian materials.

The bank is occupying the first four floors together with sub-basement and basement. Into the basement has been built a strong room which is said to be virtually impregnable—it has a thick, torch-resistant steel and copper lining (the first in Canada) is fitted with delicately-balanced 40-ton steel doors.

Containing over 3,000 safety deposit boxes and 50 safes, the vaults are proof against any known form of torch, drill or explosive attack, are equipped with automatic warning devices and guarded at all times.

On the first floor is the main banking room—120 ft. long, 90 ft. wide, 35 ft. high with terrazo floor, blond-oak paneling, accoustical ceiling, marble counters and 20 Belgian Black marble columns.

The second, third and fourth floors are occupied by the various banking departments. Included in the lay-out are kitchens and three dining rooms, lounges and rest rooms for the bank staff.

The building itself has air-conditioning units on every floor; seven elevators which travel from sub-basement to roof in 23 seconds; full emergency equipment for providing electric power and for fire protection, with trained fire guards always on duty and special fire-fighting trucks designed and built to fit into elevators for speedy arrival at scene of fire.

Architects were Chapman, Oxley & Facey and Marani & Morris (both of Toronto) with K. R. Blatherwick of the Bank's architectural staff. General contractors were Anglin-Norcross (Ontario) Ltd.

Can. Life's Quick Move Praised in Pelmo Bust

On the eve of a judicial hearing into Ontario's worst building "bust," Toronto housebuilders this week pointed to a brighter side of the picture. The breakdown threatens loss to home buyers of their cash deposits on some of the houses or land in a 96-dwelling project of Kershaw Construction Co. The project is near Toronto, in North York township's Pelmo Park district.

The brighter side, as seen by builders is this:

Canada Life Assurance Co., in co-operation with supply firms and subcontractors who held mechanics' liens against the affected properties, is rescuing all 24 buyers who have Canada Life-National Housing Act mortgage loans.

Canada Life's example and the current probe may point the way to (a) some remedy for other losers in the same development, and (b) measures against recurrence of the trouble.

Licensing of builders, or a form of bonding for their performance, could be among official recommendations to come from recent investigation by the attorney-general's dept., and from hearings by Judge Ian Macdonell to open Sept. 7 at City Hall under Ontario's Real Estate & Business Brokers Act.

Builders, nursing their worst black eye since last year's debacle in Calgary, are warning prospective buyers to check deeply into land title ownership, get adequate legal protection in title transfer proceedings, and investigate contractors fully before paying out a dollar toward building.

Said Toronto Metropolitan Home Builders' President Campbell C. Holmes: "Legitimate builders don't generally ask for extensive deposits until construction is well advanced. Prospective buyers should get cautious when asked to make unreasonable deposits before building starts."

John A. Griffin, Toronto, vice-president of the National House Builders' Association said both the national and Toronto associations are renewing last year's drive to have builder-licensing legislation introduced in Ontario and possibly other provinces. "Licensing looks like the best available protection for the unwary buyer. It's workable and in the public interest as a stout defense against fraud and inexperienced or incompetent building procedures."

Just about all longtime or large-scale housebuilders in Toronto area—including Norman W. Long, Harry Salter, A. A. Phenix and Bert Grant, said the Kershaw "breakdown" may be a blessing in disguise if the bust and the probe advance means of protecting the home-buying public against any recurrence.

They're unanimous, too, in praise of Canada Life and the lienholders in getting the 24 Canada Life-NHA houses under way again last week. Here's how they did it.

When the supply and subcontract creditors believed the construction company unprepared to pay their bills, they filed about $50,000 of mechanics' liens against properties concerned. The filing of those liens some weeks ago and their continuance in force until recent days blocked any move Canada Life might have made toward having the 24 houses completed, even though there was sufficient money, still due to be advanced against mortgages, to complete the buildings.

Last week came the break after six intensive discussions — creditors agreed to accept, in at least interim settlement, about $30,000 of their claims approximating $50,000 or about 60 cents on the dollar, and were so paid. Then Canada Life got an okay from Central Mortgage & Housing Corp. to increase the NHA mortgage loans by $700 with each of the 24 owners putting up an extra $100. To complete the houses a contract was let to Hillock & Fox Construction Co.

Meanwhile a large number of buyers with no NHA mortgages, their "houses" either not started or in the earliest foundation stages, apparently could look for succor only to Judge Macdonnell and Attorney-General Dana Porter.

Carillon tower at Simcoe—Photo courtesy Ont. Dept. of Travel and Publicity

Relaxation IN NORFOLK COUNTY

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COMPANY REPORTS

JOHN PALMER CO., Fredericton, N.B., net profit of $13,597 for year ended April 30, 1949, was 39.4% lower than previous year's net of $22,429.

The year was one of continued readjustment and in most instances dealers were inclined to keep inventories at a relatively low level. Compared to previous year, more orders were received but dollar value was reduced, President Ray T. Forbes states.

Present outlook would indicate that dealers' inventory adjustment is about completed and that increased sales will result, Mr. Forbes states

Further expansion of sales is expected through recent installation of a new division for manufacture of leather top rubbers at a very low capital cost. The only capital expenditure necessary was $1,200 for a special sewing machine as floor space and most production facilities were available. Company will have advantage of using its own Skowhegan upper leather, produced in its own tannery, Mr. Forbes states.

The policy of manufacturing finished products against orders, rather than for inventory, is being continued, thus protecting the company against inventory loss, Mr. Forbes states.

INCOME ACCOUNT

Years Ended April 30:	1949	1948
Sales	$308,213	$476,973
Net earnings	24,537	41,301
Less: Depr.	3,660	3,981
Income taxes	7,300	14,900
Net profit	13,597	22,429
Less: Cl A divd.	13,750	14,718
Cl B divd.	2,500	5,000
Surplus for year	*2,653	2,711

*Deficit.

Earnings per share and Dividend Record:		
Class A†	$0.49	$0.82
Class A‡	0.49	0.50
Paid	0.50	0.50
Class B†	d0.006	0.35
Class B‡	......	0.35
Paid	0.10	0.20

†Before (‡After) participation.

CONDENSED BALANCE SHEET

As at Apr. 30:	1949	1948
Cash	$6,724	$23,104
Accts. rec.	71,100	47,334
Inventories	37,104	63,470
Total curr. assets	134,928	133,908
Misc. assets▲	19,095	23,408
Fixed assets*	195,542	198,122
Total assets	349,565	355,436
Total curr. liab.	21,201	24,309
Appraisal credit	155,762	155,762
Capital stock	92,500	92,500
Surplus	80,102	82,865
*After depr. of	45,969	42,309
▲Incl. ref. EPT	15,808	20,545
Working capital	113,727	109,599

INTERNATIONAL URANIUM MINING CO. plans to carry out balance of an exploration program recommended by Dr. Paul Armstrong, consulting geologist, when new finances under negotiation have been arranged, so company's 1948 annual report reveals.

During 1948, 950,000 shares of Port Radium Mines, holding 53 claims next to International Uranium, were secured. In addition, $60,000 cash has been received, in settlement of litigation, for which 50,000 shares of International stock will be issued at $1.20 a share.

Acquisition of control of the Port Radium property is regarded as important because trend of the pitchblende veins is in that direction and at least one high-grade pitchblende showing is known.

Short lengths of pitchblende-bearing material were opened in underground work last year.

Balance sheet as at Dec. 31, 1948, showed $72,883 current assets plus supplies of $112,308. Current liabilities were $48,501.

Office Managem't Assn. To Expand Activities

Several innovations in activities of the National Office Management Association, Toronto Chapter, will be introduced in fall session. One is a new leadership training group which will be co-ordinated with the study groups held as evening courses under the sanction of the University of Toronto.

In addition, a new "Senior Discussion Group" is being formed to discuss and analyze special problems of interest to office managers. Co-operation with secondary schools and commerce and finance graduates from the universities will be carried on actively and will be under the impetus of a new committee.

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How Can We Improve Transport System?

Here's Summary of Preliminary Briefs Given Royal Comm.

Canada's Royal Commission on Transportation has concluded its preliminary hearing — nine weeks of cross-country sittings. Soon it steps into the second stage—study of the full briefs it will receive from provincial governments, railways, interested firms, groups and individuals. What's the pattern likely to be? The Financial Post presents here an analysis of the preliminary briefs presented to date.

By HOWARD GAMBLE

MONTREAL (Staff) — Canadians are far from unanimous on ways and means of improving their transportation services. This is about the only clear-cut fact to emerge after nine weeks of preliminary hearings before the Royal Commission on Transportation.

The commission has now returned to Ottawa and will visit Newfoundland later. Submissions made so far are largely in the nature of summary briefs. The full briefs will be presented in November. Submissions from the railways must be filed with the commission by early October. Other interested parties must file a month earlier.

While scores of interested parties will submit briefs, most significant arguments are those from the provinces and the railways. Other submissions deal largely with localized transportation conditions. (Ontario and Quebec have not submitted summary briefs).

While the provinces will submit a number of suggestions, the main theme of their argument is "discrimination" in freight rates. Equalization of rates is the goal for which the seven provinces (Newfoundland will likely argue in like vein) are striving. A number of them recommend government subsidies to achieve this end.

Following are some of the highlights of the major submissions to the commission:

Prince Edward Island:

Recommends unification of transportation policies within Canada by amalgamation of Canadian Pacific with Canadian National; suggests that both the Trans-Canada Highway and the railway should follow a shorter, more direct course through United States.

Nova Scotia:

Freight rate differentials provided under the Maritimes Freight Rates Act are inadequate for the province and should be increased. N. S. wants the provisions of the act to apply to all traffic originating in the province and moving outward to a point beyond Levis, Que. Also wants lower rates on goods moving into the province for "processing," and would like to see import and export rates lowered to a level which would stimulate trade through Nova Scotia ports. Suggests that Ottawa aid will be necessary to carry out its recommendations. Opposes horizontal freight rate increases.

New Brunswick:

Wants freight rate differentials restored to where they were in 1908-1912 and 1927. Like Nova Scotia, wants provisions of Maritimes Freight Act enlarged. Urges that a national highway should be developed; program for airport development continued; Chignecto Canal should be constructed.

Manitoba:

Submits that a fundamental principle of railway freight rate structure should be that freight rates charged for the same traffic over the same distance should be equal, except where costs, competition, the needs of national development or other circumstances require some deviation from that principle.

Recommends accounting division of CPR between railway and non-railway operations. Wants a uniform accounting system among Canadian railroads, depreciation on a straight line basis. Claims one of the transportation disadvantages in Western Canada rises from the fact that the average level on rates in Western Canada exceeds average level in Eastern Canada. Urges that rates substantially below the average level of rates for comparable commodities and those uneconomically low should be raised before any action is taken to raise general level. Suggests Royal Commission study the possibility of government subsidy for CNR lines which are operated for other than commercial purposes.

Saskatchewan:

Submits that burdens of Canadian transportation structure are not apportioned equally among Canadian geographic regions; railway rates are higher in Western Canada than in the central provinces. The intensity of water and truck competition in the central provinces has been advanced as an adequate reason for the lower rail rates in Central Canada; competition of ocean carriers has been held to justify low rates in the Pacific area. Rates in the Prairie region, Saskatchewan says, are not restrained by any adequate measure of water or truck competition.

Urges investigation of capital structure of CNR. CNR and CPR should observe the terms of the Canadian National-Canadian Pacific Act 1933. Study of the possible contribution which public ownership of all railways would make to Canadian transportation might well be undertaken.

Alberta:

Submits that national policies have been permitted to apply without regard to their regional effects. Such policies include tariffs, customs and currency regulations. The organization of the railways is on a national scale and results in regional policies quite distinct from those that would be followed by regionally organized corporations.

Rates established on the basis of local unit costs and local traffic densities are examples of how transportation policy can increase trend toward centralization. Industrial growth has been centralized in Eastern Canada and if rates are kept lower because of such factors as local unit costs and local traffic densities, it will attract more traffic by creating more favorable conditions. Conversely, in Western Canada high freight rates discourage industry and lack of industry results in lower traffic densities.

Urges the Royal Commission to embark on its investigation looking to the re-construction of the freight rate structure from a completely fresh viewpoint—as if it were the fact that no regulatory legislation or tribunal existed.

British Columbia:

Holds that the freight rate structure should be based on cost of service rather than value of service. Claims that application of this principle would tend to eliminate the present discriminatory pricing and at the same time apportion the traffic between the various agencies in accordance with their most economic use.

Claims that when all cost factors are taken into consideration it is usually found that there is no great difference in unit costs between regions and secondly that management can under the force of necessity do much to equate costs with revenues, section by section.

Canadian Pacific Railways:

Says it is in the best interest of Canada that Canadian Pacific continues to function as a privately-owned system. Regulation of transportation should be performed by an administrative tribunal free from political pressures.

Contends that rate-making should be on a national rather than on a local or regional basis. It is not desirable that the railways should perform uneconomical transportation services merely to create artificial growth. No rate-making system should contemplate government subsidies, but CPR does not seek repeal of the Maritime Freight Rates Act. Solution to the railway problem rests on ensuring that the railways be made financially sound and able to provide adequate and modern railway services.

Canadian National Railways:

Will submit that consideration should be given to determine whether it is essential in a national transportation policy that all forms of transportation be under a unified control. Also that it may be beneficial to control competing services from the standpoint of national public convenience and necessity.

Thinks railways should have a scale of rates which would secure a fair return on prudently-invested capital, apportion transportation charges as equitably as possible between different sections of Canada and as applied to various commodities and enable the railways to perform the services which can be performed more economically by railway than by other means of transport.

Among the many briefs presented by private and public groups were:

Dominion Steel & Coal Corp.:

Wants widened powers for Board of Transportation Commissioners so that Board could set rates for all carriers in such a way that trade patterns wouldn't be disrupted; says last year's 21% increase hit Dosco's competitive position in steel products markets, eliminated benefits of Maritime Freight Rates Act of 1927. Freight rate increases on steel should be kept to dollar-and-cents, not percentage, amounts according to the product. Suggests alternative like U. S. plan which limits rate increases on steel to 80 cents per ton (some on Dosco shipments were $2.60 per ton, much less for competitors nearer market, it is claimed).

Canadian Manufacturers' Assoc.:

Advocates national transportation policy including uniform provincial legislation covering highway carriers administered by independent provincial tribunals. Railway rates should be fixed by Board of Transports Commissioners, not by statute (e.g. western grain), and altered where necessary by subsidy; board would have power to order rebates where rate paid by shipper found to be too high. Wants studies on possible reduction of CNR fixed debt charges; uniform railway accounting methods; report on savings by CNR and CPR through co-operative economies ordered by 1933 statute.

Railway Labor:

Recommends that all buses and trucks in Canada be placed under the control of a transport commission requiring operation under conditions similar to those imposed on railways. Wants destructive highway competition eliminated, and wants highway operators to be taxed commensurate with use they make of the highways.

Canadian railway workers are dissatisfied because of the alleged wide disparity existing between their wage rates and those in effect in United States. Claim wage rates have been influenced and conditioned in large measure by the basic factor of tariffs to the prejudice of the employees; there is an obligation on the part of regulatory agencies to establish such tariffs as will enable the industry to meet its responsibilities to employees.

Outlook Improves in 1949 For Prairie Canneries Ltd.

WINNIPEG—Prairie Canneries, Ltd., a new industry launched at Winkler, Man., in 1946, processing this year's crops, is employing about 140 persons, mostly local help from the Winkler area.

The company was incorporated three years ago with authorized capital of $200,000, 1,500 5% preferred shares, par $100, and 5,000 common shares, par $10. Stock subscriptions mostly to local business men and farmers totaled $139,000 and with this capital the company started to erect its plant.

Construction involved more than estimated and when completed at a cost of about $225,000, the company owed about $90,000. It lost money on its first year's operation in 1947. Creditors stepped in and were given representation on a joint management board. At April 17, 1948, the company owed $113,085.

The plant advertised for sale and the best offer was $100,000. Directors and shareholders then raised an additional $78,000, most of which was applied on accounts owing to creditors. The balance owing to them, about $35,000, was secured by a second mortgage.

In 1948 there was a good crop. The plant processed 50 acres of peas of about 85 acres planted; about half the crop from 17 acres of beans; and 600 acres of 750 acres of corn plantings, with 130 acres of the corn crop transferred to Canada Packers, Ltd.

From the 1948 pack, the company realized $183,244. It processed 53,290 cases of vegetables, 4,740 of which were peas, 1,576 beans, and 41,490 cream style corn. Net profit was $25,225, after having allowed $16,909 for depreciation. By arrangement with creditors the profits were turned over to them in full settlement of their claims and they waived any further rights of joint management.

Directors of the company on their personal guarantee arranged a bank loan to start this year's operations. Nearly all the 1948 output was bought by wholesale grocery firms in Winnipeg. Small parts were disposed of as far west as Victoria and as far east as Peterborough, Ont.

Processing of the 1949 crop is being supervised by A. C. Campbell. General manager is William Ternowetsky, a business man of Winkler, also a director.

Other directors are George Neufeld, mayor of Winkler; Michael Ogaranko, merchant, Nicholas Rogonoski, merchant, John R. Solomon, lawyer, and member of the Manitoba Legislature—all of Winnipeg; Steve Lucko, merchant, Dugald; and John Penner, insurance broker, Winkler.

Seasonal Pattern Back For Coleman

Consolidated net sales of Coleman Co., Wichita, Kansas, for the first half of 1949 were $9,094,036, 32.5% under net sales of $13,476,378 for the first six months of 1948. This resulted in the loss of $209,028 as compared with earnings after taxes of $1,013,245 in the 1948 period.

The decline in 1949 sales was largely attributed to a more normal seasonal pattern and to unsettled general business conditions, Treasurer and Controller C. B. Kuhn states. "A contributing factor was the oil shortage of 1948. While shortages were for the most part localized and of short duration, widespread and unfavorable publicity caused a sharp decline in sales of the company's oil fired heating equipment. As a result, abnormal inventories occurred at the dealer level."

Recent trends indicate that sales in the last six months of 1949 will be substantially higher than in the first six months, Mr. Kuhn adds. Net sales in July were $1,775,848 with a net profit of $79,123. Net sales in August will exceed $2 millions.

The company has recently introduced a prefabricated home heating system known as Coleman "Blend-Air" and has strengthened existing product lines through introduction of a new and improved model, Mr. Kuhn points out.

North Star Oil, Ltd. Sales Higher In Half

Operations of North Star Oil, Ltd. in the current year have been satisfactory with gallonage sales up about 15% in the first half compared with the 1948 half, The Financial Post understands.

Earnings in 1949 are running about the same as in 1948 since operating costs continue to rise.

Refinery capacity increase from 2,000 to 4,000 barrels per day should be completed by the end of October, 1949. The cost, estimated at some $600,000, will be covered from company resources without additional financing.

Canada Malting Earnings Hold

Business of Canada Malting Co. is holding close to a par with the record business of last year, The Financial Post is informed, and shipments and earnings to date compared favorably with the same period of last year.

Increased export business is counteracting some decline in domestic demand, it is said. Although indications are that the western barley crop will be down some 25% from last year, if present crops are harvested successfully there appears little danger of tight supplies for malting purposes. Although the company's malting capacity is about double that at outbreak of war, operations are running close to normal capacity.

Net profit in 1948 of $732,567, equal to $3.68 a share, compared with $670,374 and $3.37 in 1947 and was the highest in company's history.

Grading Contract Is No. 2 For PGE

From Our Own Correspondent

VANCOUVER — Second contract is awarded for grading Pacific Great Eastern Railway's $13 millions extension north from Quesnel to Prince George, for which a Dominion capital grant of about $1¼ millions or $15,000 a mile for 83 miles soon will be considered by the Commons (The Financial Post, Aug. 13). Campbell Construction Co. got both the first 14-mile stretch and the present 16. Tenders will be called next month for 17 miles southward from Prince George, where PGE rails soon will link with the national system. That will leave 36 miles for contractors to look forward to.

PGE now owes the province $110 millions and still can't pay operating expenses. It is hoped that with the extension by rail northward and by paved highway southward to Vancouver, enough extra traffic will be developed to get the road gradually out of the red.

CITY OF VALLEYFIELD, Que., Catholic school commission has sold $91,500 2¾% bonds due Aug. 1, 1950-56, $50,000 3% bonds due 1957-64 and $38,500 3¼% bonds due 1965-69 to Gairdner & Co. and Royal Bank of Canada. Net cost to commission was 3.211%, price 98.7439. Grant of $66,000 by provincial secretary to service loan is payable in six installments 1950-55. Previous bonded debt has been assumed by provincial government. Population, 20,000.

Stock Offered Fort William Locker Service

Expansion of a relatively new business in Fort William, Ont., is indicated with the offering for public subscription of shares in Scollie's Locker Service Ltd. Offered are 4,000 6% cumulative preference shares, par $10, and 12,000 no par value common shares at a price of $25 for a unit consisting of two preferred shares and six common shares.

It is proposed to raise $50,000 by this offering of which the company will receive $45,000. Proceeds of the offering are to be held in trust until the full amount has been received. If it is received, the company intends:

(a) To acquire the business known as Scollie's Locker Service in consideration of the allotment and issue of 21,000 no par value common shares. This business is owned 50% by William George Scollie and 50% by Frederick John Scollie.

(b) To construct a large modern public cold storage and locker plant at the corner of Arthur and Selkirk Streets, Fort William, at a cost of about $30,000.

(c) To equip the plant for cold storage, processing of foods for locker holders and merchandising of food such as fruits, vegetables and meat at a cost of about $10,000.

(d) To use balance of about $5,000 for working capital and preliminary expenses.

This business grew out of the expansion in 1944 of Scollie's Dairy into the field of locker storage and public cold storage. Such a great demand has developed that a larger plant has become necessary. Until this is constructed, temporarily, cold storage space has been rented some four miles out of Fort William, President W. G. Scollie states.

The company has obtained the sole distributorship for "Delnor Brand" frozen foods for the district extending from Manitoba boundary to Chapleau, Ont. Other brands of frozen foods were added to its line so that it now has a complete range of frozen foods for distribution. The rapid expansion of the sale of frozen foods also made it essential for the immediate establishment of a larger plant more centrally located, Mr. Scollie adds.

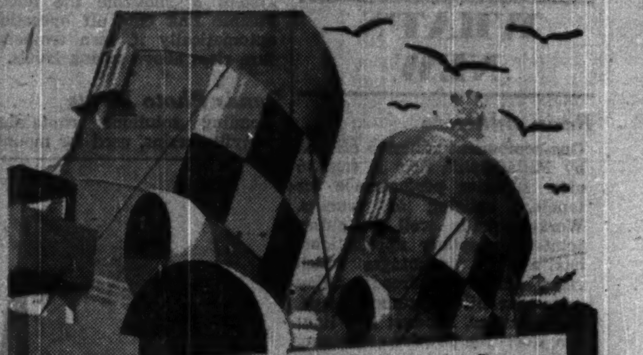
The new plant will provide complete processing services for meats, vegetables and other types of foods for which cold storage facilities are desired, cold storage locker service sufficient to take care of present needs with provision for future expansion, and provision for warehousing of fresh frozen food in order to provide a complete continued supply at all times.

Even though there has been a great demand for public bulk cold storage service in the lakehead cities, there is now none available, but provision is being made in the new buildings for this service, Mr. Scollie states.

Directors are: W. G. Scollie, president, Mrs. Ida Amelia Scollie, vice-president, and F. J. Scollie, secretary-treasurer.

Authorized capital consists of 4,000 preferred shares and 40,000 common shares.

PARISH OF L'ANCIENNE-LORETTE, Que., has sold $30,500 3% bonds due 1951 to 1959 and $202,000 3½% bonds due 1960 to 1964 for price of $96,325 to J. T. Gendron Inc., J. C. Boulet Ltd. and Dudley Dawson Ltd. Net cost to borrower is 3.808%. Of $187,000 1964 maturity, $183,000 is to be paid from proceeds of 25-year renewal loan. Proceeds are for waterworks. Net consolidated debt at Dec. 31, 1948, was $98,400, all for waterworks; population, 5,000.



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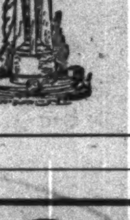

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WHAT'S NEW

Resin Adhesive

One-component adhesive offered by Philadelphia firm is said to offer superior performance for tapeless splicing of veneers. Works equally well on either jointer or splicer applications; has all the advantages which resin adhesives already enjoy over conventional gummed tape, states maker. Product is a light tan, dust-free powder containing both catalyst and lubricating agent; protected from moisture; has a storage life up to one year cites maker. Features include ease and speed of mixing; latitude in assembly time. Spread veneers may be spliced immediately or after intervals up to four days.

• • •

Detects Overloads

"Dyna-Switch" is offered by Chicago firm to protect electric hoists subject to overloads. Cuts off hoist motor when load limit is reached, turns it on again when load is removed. Keeps hoist cable from breaking under strains. Can be set to cut hoist motor off at any load between 500 and 10,000 lb.

• • •

Tube Bending Machine

Semi-automatic hydraulic bending machine is designed for rapid handling of production jobs, or for short-run and maintenance bending work requiring frequent changeovers of setups. This self-contained unit is made to handle tubes and pipes up to five feet in length but can be extended to take any length of tube. Can be adapted to tubing, pipes and bars as well as rolled or extruded sections. Employs versatile draw-bending principle which produces high quality bends without wrinkles or distortion and permits handling a wide variety of work, Illinois maker states.

• • •

Chair Anchors

New use for plastics in ship fitting: chair anchors braided of plastic cord for use in place of metal chains usually employed in dining saloons. Cords have rayon core with white Koroseal coating. Are as strong as chains, handsomer in appearance and quieter, New York maker states.

• • •

Aluminum Sheathed Cable

Aluminum covered electric cables, claimed to be first of their type in the world, are being produced by English firm. Said to be improvement on the lead type, owing to greater durability, lightness and mechanical strength of aluminum. The greater toughness and high melting temperatures of aluminum require a different process of applying the metal to the cables.

• • •

Tobacco Curer

"Jet Tobacco Curer" introduced by New York company is said to extract 99% efficiency from its consumed fuel by virtue of basic combustion principle of high heat release. This, plus use of cheaper No. 2 (home-heating) oil as against use of No. 1 (kerosene) oil by former tobacco curers, will reduce season's curing costs by more than 30% makers claim. Heat from the curer, installed outside the tobacco barn, is distributed uniformly throughout the interior through system of movable tile ducts. Fusible link cuts off operation automatically if barn temperature rises above curing levels.

• • •

Bonds Photo Prints

Bonding solutions containing Vinylite resins, used for mounting photographic prints, claimed to have passed these tests: prints and mounts soaked in water two days, exposed to heat from sun through plate glass windows up to temperatures of 200F. Prints didn't lift from mount when properly mounted, it's claimed; solution has no ill effects on paper.

• • •

Electric Milk Cooler

Electric milk cooler to serve farms with 10 cows or less introduced by Westinghouse Corp. in U.S. Holds either three five-gal. or two 10-gal. cans, cools them from 90 degrees to 50 in one hour. Made of heavy-gauge galvanized steel, insulated, with hermetically-sealed refrigeration unit and motor-driven water circulator.

• • •

Tube Drawbench

New type of tube drawing machine is claimed to speed up production, eliminate much waste and reduce production costs. English maker describes it as the first fully-automatic push-pointing triple-draw tube drawbench in the world. Push-pointer obviates need for separate forging machine to forge end of a tube to smaller size to go through die. Maximum draw length 25 ft., maximum drawing speed 200 ft. minute, draws tubes up to 2½-in. in diameter, cites maker. Machine is 61 ft. long; operated by two men.

Fur Survey Indicates Good Season

Judging from a widespread survey of Canadian August retail fur sales the fur business is in for another good season. That is, if the weatherman plays ball.

A Dominion-wide survey made by the National Retail Furriers of Canada, Inc. showed:

1. Consumer interest high.
2. Muskrat, persian lamb, mouton and squirrel leading.
3. In two provinces, Ontario and Nova Scotia, unit sales volume appears up about 70%, dollar volume up 55-60%.
4. Balance of Dominion shows unit sales volume about the same as in last August's sale, with dollar volume down 10-15% (prices on the average were off about the same amount).
5. Styles appear to be full-backed coats, numerous ripples, medium-sized collars and a definite requirement for wide sleeves with cuff or cuff effects. The full-length coat appears to hold first position.

The August sale acts as a barometer for the business weather ahead. It gives furriers some idea of what prices the public will be willing to pay and what styles and furs will be most in demand.

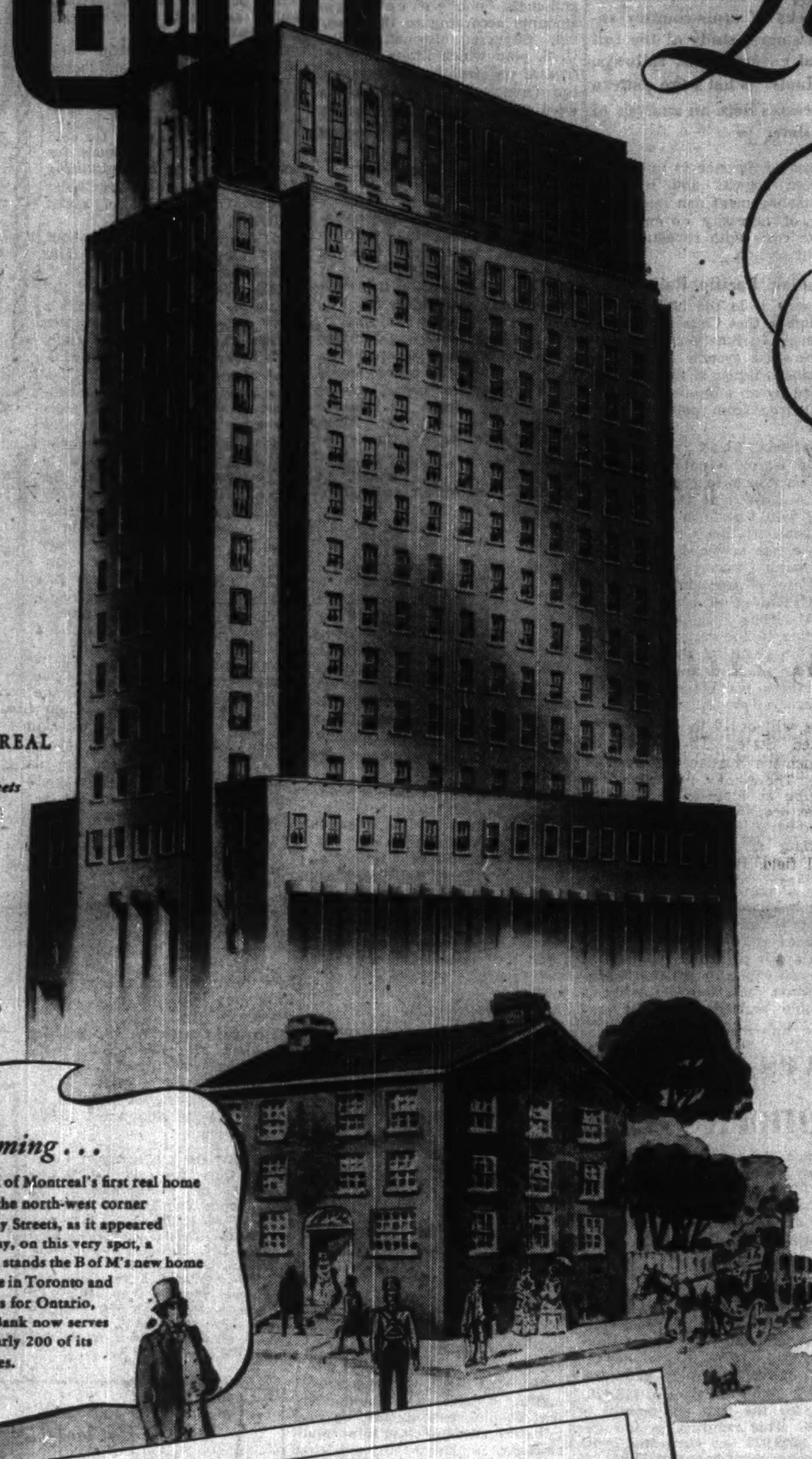
ANSLEY GOLD MINES shareholders have approved a reorganization which includes issue of one new share for each three present shares and a change in name to Consolidated Ansley Mines. A financing agreement has also been approved under which $22,500 is committed to the treasury for purchase of 225,000 shares and 1,375,000 shares are optioned to provide $312,500 if all options exercised. A drilling program is expected to be started shortly on a new property, a group of 12 claims in Duprat twp., adjoining Quesabe Mines.

"MY BANK" grows with the Queen City...

TO A MILLION CANADIANS

B of M

Toronto's First Bank is Canada's First Bank — the Bank of Montreal, which opened its first agency in York 131 years ago.



BANK OF MONTREAL BUILDING
King and Bay Streets

Homecoming . . .

Here is the Bank of Montreal's first real home in Toronto, on the north-west corner of King and Bay Streets, as it appeared in 1842. Today, on this very spot, a century later, stands the B of M's new home —main office in Toronto and headquarters for Ontario, which the Bank now serves through nearly 200 of its 500 branches.

In 1818—with the din of war just past—York's thousand rugged inhabitants were busily carving a life for themselves in lumbering and the fur trade.

To the outpost community in virgin forest by the lake, the first stage-coach had rattled its way over rough pioneer roads from the garrison town of Kingston the year before. Upper Canada was a loosely-knit territory, sparsely settled by colonists who traded by barter, or through the complicated exchange of a hodge-podge of foreign currencies.

Into this picture—in June, 1818—came the Bank of Montreal, Canada's first bank and York's first bank. To assist local traders with the money problems of an unsettled land, the B of M—*barely eight months old, itself*—opened an agency in York. It brought to Upper Canada the stability of a branch-banking system—the security and convenience of Canada's first real money.

Through all the ups and downs of business—through good times and bad for 131 years—the City, the Province and the Bank have grown strong together. Constantly, the Bank has sought to widen and improve its services, in step with the rise to greatness of Ontario and its capital.

The marked contrast between the Bank's first modest office at King and Bay Streets and its modern sixteen-storey building on the self-same spot is a striking reflection of the shared growth of a city, of a nation and of their first bank.

* * *

3,000,000 CUBIC FEET
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Into each cubic foot of this building went one hour of a Canadian's labour . . . his care, his skill and building know-how. Each cubic foot is a tribute to Canada, to our way of life . . . a measure of the faith of Toronto's first bank in the future.

From the sub-basement to the penthouse—270 feet above—is only a 23-second ride in one of our roller-mounted, jar-proof express elevators. Between these extremities the B of M's Ontario headquarters and new Toronto Main Office occupy four floors. Above, more than 30 tenants use the remaining twelve floors.

Designed for utility, convenience and beauty, the building incorporates all the latest improvements to make our customers' business with us, and our tenants' occupancy, as pleasant as possible.

For our staff, there are splendid working conditions—spacious dining rooms and lounges—and a small, but well equipped hospital for emergencies. For the security of our customers, there are great vaults—with 40-ton doors—the first in Canada to be given the extra protection of burglar- and fire-proof steel-copper lining. Each floor is independently air-conditioned for extra comfort . . . and an emergency fire department stands in constant readiness.

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Canada's First Bank

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

The Financial Post

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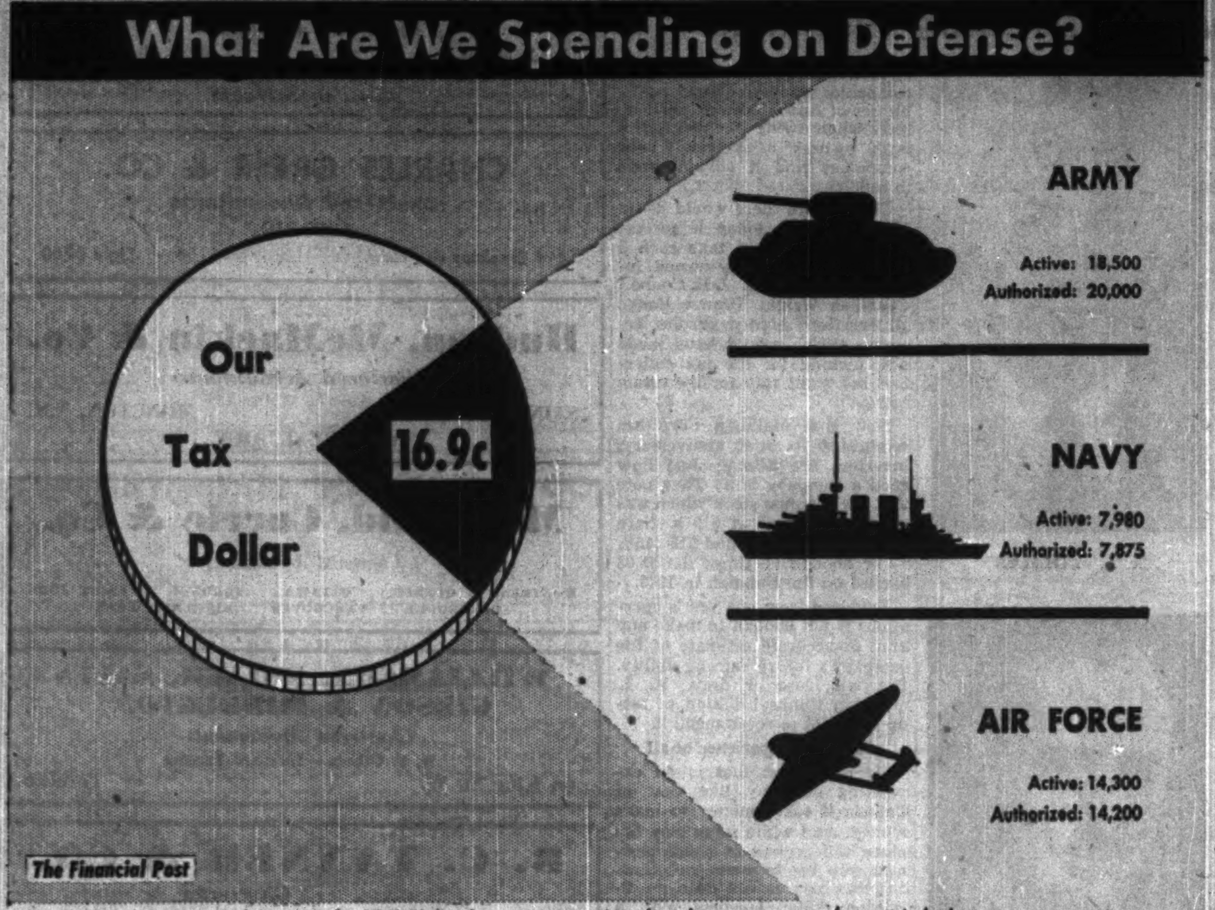
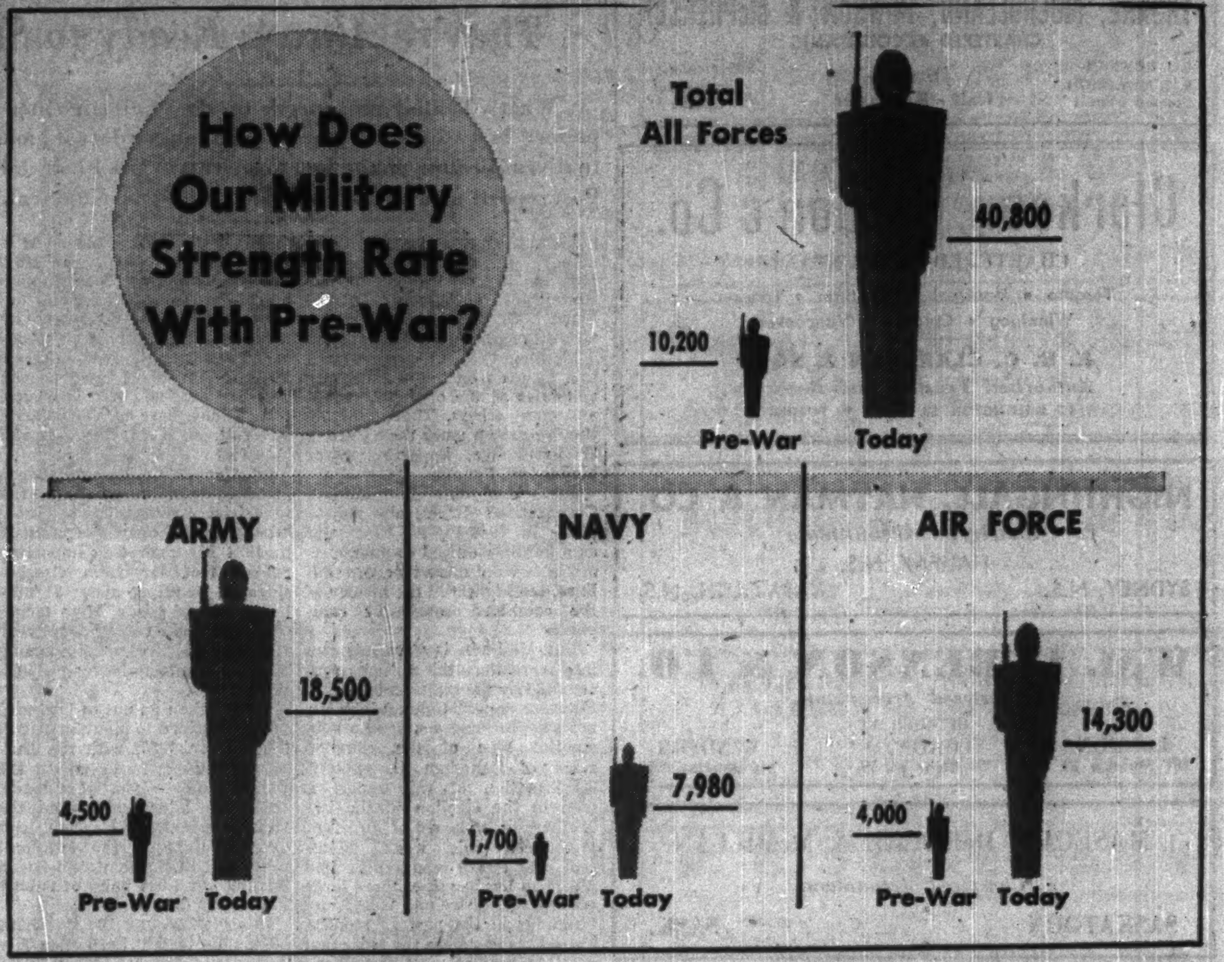
What Are We Spending on Defense?



Defense costs for 1949-50 fiscal year as proportion of total tax revenues as forecast in budget.



Do We Get Value for Our Defense Dollar?

Here Are the Issues, Problems Posed; Our Armed Forces' Functions, Aims

By STAFF WRITER

Out of every dollar that we Canadians pay in federal taxes nearly 17 cents goes for the maintenance of Canada's armed forces. Why? Is it too much? Is it enough? What do we keep armed forces for? What do we expect them to do? Are they doing it?

In short, are we getting value?

When Parliament reassembles this month opposition parties are expected to launch a vigorous inquisition into the Government's defense policy and performance. Some loud criticism has already been made about the recently-completed Exercise Eagle, carried out near Fort St. John on the Alaska Highway, by an airborne battalion of the Princess Pats and a collection of aircraft drawn from the RCAF reserve.

To clarify the issues and the problems, The Financial Post has conducted an examination of the functions and objectives of Canada's armed forces, the reasons why we pay 17 cents out of every tax dollar for their upkeep.

This review is concerned more with principles than details; because the details can only be judged against the background of ultimate objectives.

What then are Canada's armed forces for?

Enquiries made in several departments at Ottawa produced general agreement with this answer:

1. Defense of Canadian territory, which also includes preventing any attack across Canada on the United States.
2. Fulfilment of the international obligations assumed by Canada. There is in fact only one such treaty with definite military commitments envisaged, and that is the Atlantic Pact.

The distinction between 1 and 2 is actually a false one. The Atlantic Pact is not a quixotic or generous gift to the countries of Western Europe. It is strictly part of the defense of Canada.

We are in it to stop a hostile power dominating Europe.

Just as Britain for centuries past has tried to prevent a hostile power facing her across the English Channel, so now North America is trying to stop a hostile power from facing it across the Atlantic. And indeed the Atlantic is no more formidable an obstacle for modern aircraft, warships and submarines than the English Channel was in the days before the invention of airplanes or steamships.

Only One Possible Enemy

The only potentially hostile power at present is Russia; and if Canada and the United States have to fight Russia, they want to do it in Europe and not on their own soil. The farther away it is possible to do the fighting, the better.

The armed forces have to plan then to resist any possible attack by Russia:

1. Through the Canadian Northland.
2. At the boundaries of western Europe, in co-operation with the western European powers and the United States.

How should our forces be divided between the two tasks? On this there is complete agreement, and almost violent emphasis, by all the experts in defense. The aim should be to keep at home the very smallest force possible. Troops sitting around the north country, armed to the teeth and chewing gum in igloos, are passive troops. It would be possible to line up all the armed forces of North America and string them along the Arctic Circle. It would no doubt give the inhabitants of Edmonton and Kalamazoo a nice feeling, but it would give the aggressor the chance to do what he liked in Europe. It would ultimately expose us all to a much greater peril.

Defense experts are completely convinced that the North country cannot be a decisive theatre. The only object of the threat to the North is to try to persuade Canada and the United States to lock up their forces and their resources in passive defense instead of playing an active fighting role in the theatre where the decisive fighting will be — in Europe.

So the first principle of Arctic defense is that it should tie up the very minimum of forces and effort. What is the minimum required?

The Canadian military planners have worked that one out; but for obvious reasons their answers cannot be stated fully in public.

The trouble with all military planning is this:

It has to be based on what, to the layman, seems like guesswork, but what is actually a very careful "appreciation" of the worst the enemy might be able to do. The Canadian forces do not depend only on their own intelligence; they have the benefit of the pooled knowledge and judgment of the United States and the United Kingdom as well.

The Time Factor

Planning is also constantly confused by the time factor. It is not enough to have a good estimate of what the enemy might do today. You must know what he could do tomorrow, and you must estimate which tomorrow is the crucial one. Your object is to ensure that at the date the aggressor chooses to attack, you have more than enough strength to meet him. And it will do you no good at all to be equipped with all the weapons which are the very latest thing in 1949 if the attack does not come till 1959 or 1969. (It will also, of course, do you no good to have plans for ideal defenses in 1969 if the attack comes in 1959).

The plans of any country's armed forces are therefore directed at a deadline which is assumed to be the first and greatest point of danger. The period of that plan must be a closely guarded secret. But the Canadian defense chiefs are certainly—and indeed obviously—not planning for an immediate or even an early attack.

For this there are many reasons which can't be given. But here are two which government sources give openly:

Russia, in the view of Canadian authorities, is not a country which will **stumble** into war. If the masters of the Kremlin get into a war it will be because they want to and mean to. It will be at a time of their choosing and on the ground they consider most favorable. Stalin does not have to stand by a blunder for the sake of prestige, as democratic leaders might have to. The Russian people know only what they are told: whatever Stalin does is right. It is impossible for him to "get himself into a jam" from which war is the only way out. He can always backtrack if he wants to.

Since there are malicious forces around and Pravda could easily misinterpret this into an admission that blundering western leaders are more likely to start a war than the Kremlin, it is perhaps wise to add that no western nation is likely to "stumble" into a war with Russia. All western measures whether military or political are designed to "contain" Russia. If that containment is sufficiently positive, definite and unquestioned, the decision to use it as an excuse for war must lie with the Russians. The chance of provocative rather than defensive action by the West is nil, so long as western opinion continues to regard an atomic war as the worst thing that could possibly happen.

The only big danger is that western measures of containment should appear so weak that the Russians might misjudge our determination and deliberately gamble on our being weak-kneed. Any sign of wavering from the public of the United States, Canada or western Europe increases the danger of Russian action.

What About the A-Bomb?

If Russian aggression will always be calculated and deliberate, one factor in the calculation (though not necessarily the key factor) will be the atomic bomb. The latest appreciation on this is that Russia is now and probably always will be 10 to 15 years behind the United States. There may be no "secrets" which the Russians have not or cannot discover. There may be nothing to stop them making an atom-bomb of sorts. But the manufacture of the bomb involves a miracle of industrial ingenuity which far surpasses anything as yet tackled in any other industrial field. It involves processes of a complexity and technical complication never before imagined. The industrial "know-how" of the United States may have been ballyhooed ad nauseam; but in this field, Canadian authorities believe, the Russians have almost no chance of catching up.

The first basis of Canadian defense planning is therefore that a Russian attack need not be feared before 19XX. The XX cannot be filled in publicly, but the ciphers do not stand for '49 or '50.

The second basis is this: If war does come, the risk of large-scale attacks on the Canadian North is small. This calculation is based both on what the Russians might think it worthwhile doing, and on what they could do.

The risk obviously is from the air. Large-scale movement of land troops across the north country is out of the question. If and when it becomes feasible the Canadian Army will know, for it is continually experimenting in the art of living and moving in the Arctic, and the art of fighting definitely comes after these two.

Attacks by air across the North are not impossible, but the possibilities are limited by the number and the range of the planes the Russians have. There may be a wide margin of error in the Allies' appreciation of Russian strength. But you could add a lot to what our authorities believe to be possible and still be far short of any large attack.

You can put out of your mind the perennial pipe-dream of the "radar screen round the Arctic." Such a screen would require far more than the total defense expenditure of both Canada and United States. It would still not make it impossible for hostile aircraft to get through without warning, and to be anywhere near complete it would have to be arranged in depth—not just one chain but a network covering the whole North.

The radar chain which saved Britain in the war—the whole complete works—could be put down in the Northwest Territories and be unnoticed.

How Air Defense Planned

Defense against air attack—bombing raids, whether with atom bombs or conventional bombs—has to be provided; but it has to be provided, say the experts, on a basis of commonsense, not of emotional fear.

Canada is planning this air defense on the following basis:

Continual study, experiment and training in all the peculiar problems of the North. This ranges from development of new Arctic clothing to the design of new fighting equipment.

No present interceptor aircraft in the possession of any nation meets the special requirements of the North country. Canada has designed the twin-engined two-seater all-weather jet fighter known as the X100 to meet these needs. It is under construction at the works of Avro Canada at Malton. Avro is also testing the first Canadian jet engine, the Orenda, which will, it is hoped, eventually power this interceptor.

Fighter aircraft are, say the authorities, the first requirement of the RCAF. The Government has just completed arrangements for Canadair to build 100 of the single-seat interceptors selected by the RCAF — the North American F 86 jet.

Radar defense is being developed gradually to cover the vulnerable areas: Montreal and Toronto have already got the beginnings of a radar cover. Other important centres will get it in due course.

To critics who say that progress is too slow, the defense authorities answer first, that they think they know how much time they've got, and second, that the defense program must be an orderly and steady plan.

It would be possible, if the taxpayers agreed (which is doubtful), to spend three times the present defense expenditure of $375 millions a year on aircraft alone. Aircraft factories could be expanded to produce not only all the fighter aircraft, but all the transports and bombers Canada could possibly want as well.

To do that would be, say the authorities, the wildest waste. It would mean an enormous expansion which could not be maintained. It would mean building new factories, buying new tools and employing thousands more men. And when the program was complete, or when the electors rebelled against the high rate of defense expenditure, the factories would have to stand idle and the men would be thrown out of work.

What the military planners want instead of that is a steady expenditure on defense, a continuing use of the facilities we have in accordance with their list of priorities.

For example, both the air force and the army want new transport planes. The reports on Exercise Eagle showed how short Canada is in this field. If 50 Fairchild Packets could be bought tomorrow, both soldiers and airmen would be delighted.

But is it wise to spend $25 millions (in U. S. dollars) for new transports and to throw into the junk heap dozens of Dakotas and other last war planes which are certainly not the latest thing but are perfectly serviceable? Is it wise to use for military purposes $25 millions (U. S.) when the drain on Canada's reserves of U. S. dollars is already enforcing restrictions on civilian imports and may mean limitations even on the crucial supply of unfinished steel?

The answer is a matter of judgment. Some critics may think the danger is so real that we should spend the money and damn the consequences to our financial and economic balance. The Government says no. It says the danger is not so pressing as to justify either buying the planes in U. S. or overloading the Canadian aircraft industry with demands beyond its present capacity and which could not be maintained.

First Need is Fighters

The Government thinks an orderly re-equipment can be spread over the next X years—the years of its present plan.

The air force has also another answer. It says the first need is fighter planes (on which both Canadair and Avro are concentrating, so far as military work is concerned); the second need is anti-submarine aircraft; transports for the army come third.

In this appreciation, the air force is following the same broad pattern as the army in giving high priority to the Atlantic and Europe.

The demand for transport planes arises out of the needs of the army's planned airborne brigade-group; and this airborne brigade-group is the army's part of the plan for territorial defense of Canada.

It will consist of three battalions—from the Princess Pats, the Royal Canadian Rifles and the Royal 22nd, with supporting artillery and other arms.

The battalion of the Princess Pats has completed its airborne training, and, Government and critics agree, gave a splendid performance in its first full test, Exercise Eagle. The RCR battalion will complete its airborne training early next year, and the training of the Royal 22nd will follow. Within a couple of years the training of the brigade group will be finished, though it may not by then have the new transports it needs.

This airborne brigade group is all that the army now plans to provide for the defense of the Canadian North—in accordance with its firm policy of keeping the very minimum locked up at home.

The army thinks it knows the size of the largest land force which Russia could put down anywhere in Canada, now or in the period for which it is planning. It is sure that such a Russian force could be no more than a diversionary raid. It could not be a serious threat to Canada. And the army's plan for dealing with it is to have a brigade group airborne and ready to land at any spot selected by the Russians—to clean them up in the shortest possible time.

Defense authorities of all the services get very indignant when it is suggested that the defense of the North is being left to the United States. They think that the forces planned by Canada are adequate to deal with any threat the Russians can make in that part of the world; and they refuse to divert any more to "passive defense."

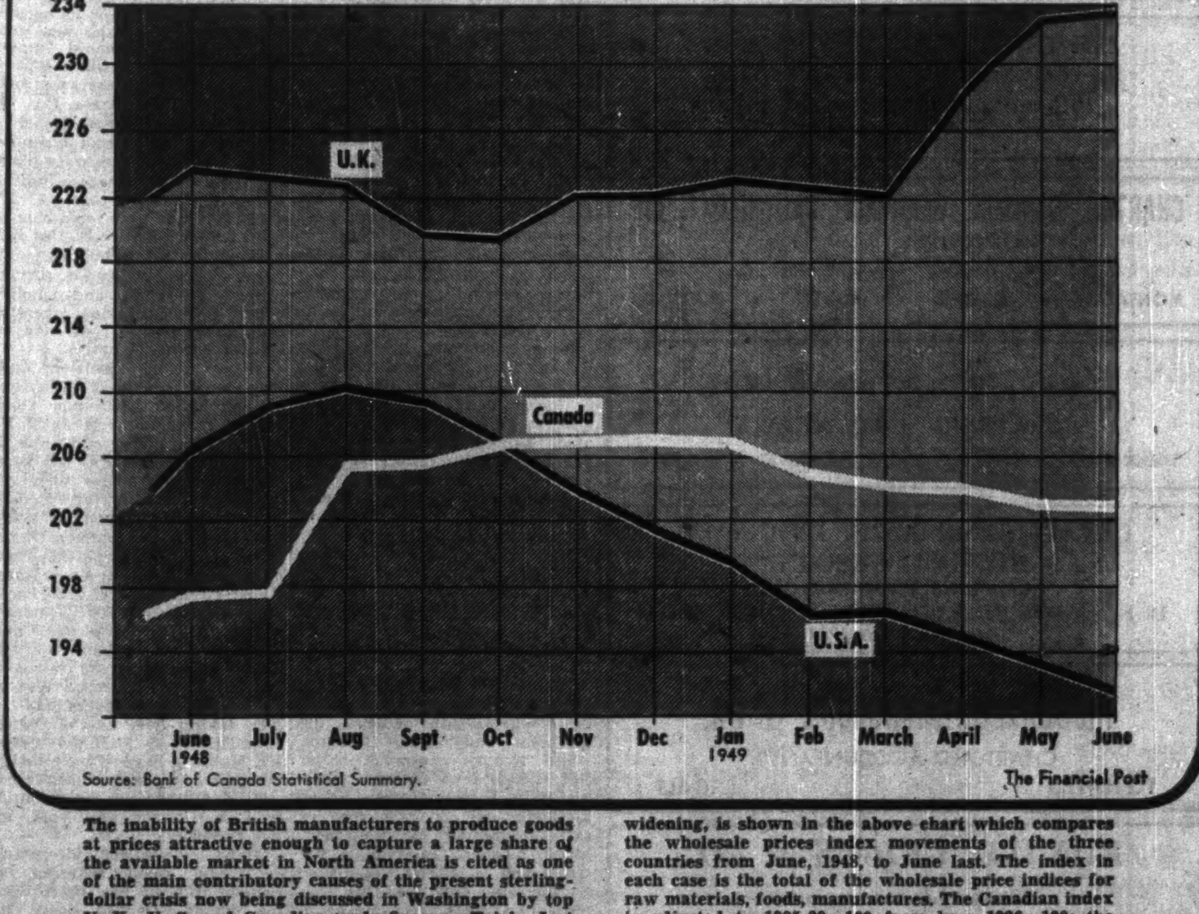
But they are not expecting Uncle Sam to do their work for them, and they resent exaggerated accounts of what U. S. forces are doing in or for Canada.

The problems involved in the international aspects of Canadian defense will be discussed in a second article.

Here's Prices Factor In U.K. Crisis

(12-Month Trend of Wholesale Prices — U. S., Canada, U. K. Compared)

1935-39 = 100



Source: Bank of Canada Statistical Summary.

The inability of British manufacturers to produce goods at prices attractive enough to capture a large share of the available market in North America is cited as one of the main contributory causes of the present sterling-dollar crisis now being discussed in Washington by top U. K., U. S. and Canadian trade finance officials. Just how far British prices are out of line with those prevailing in Canada and U. S., how the gap has been widening, is shown in the above chart which compares the wholesale prices index movements of the three countries from June, 1948, to June last. The index in each case is the total of the wholesale price indices for raw materials, foods, manufactures. The Canadian index is adjusted to 1935-39=100 from base 1926=100; the U. K. index to 1935-39=100 from 1930=100; the U. S. index to 1935-39=100 from 1926=100.

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Mailman Corporation

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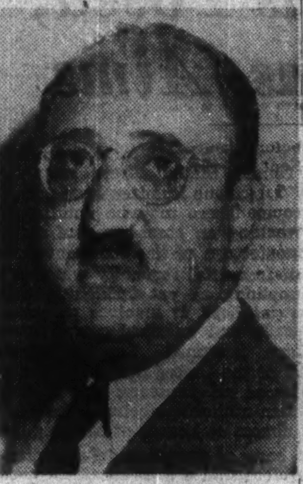
They're Always Ready to Study 'Interesting Situations'

What's behind the growth of the Mailman enterprises? Is it a fully-integrated operation, or does it look to diversification as the key to success? The Financial Post reports on a major Canadian business development.

A. L. MAILMAN

J. L. MAILMAN



HARRY ALPERN

Looking for a washing machine? A pair of moccasins? Bicycle tires? Rubber boots? Restaurant equipment? Razor blades? Or perhaps you have an aircraft engine in need of repairs?

Mailman Corp. of Montreal will talk business on the manufacture and sales of any of these items—and many others. That's how big they've grown since they started, 30 years ago, importing razor blades into Canada.

Just how big is Mailman Corporation? Here's one indication: In 1948-49, its first year as a publicly-owned company, its net sales were more than $14 millions, the highest in the history of the combined subsidiary companies.

But Mailman investments run into more than the millions represented by the major enterprises. Here are some: Mailman interests are said to have acquired a substantial bloc of the common stock of Canadian Locomotive. Confirmation of this report is seen in the election of the two brothers to its board of directors, announced this week. Montreal real estate men report that Mailman has acquired three large commercial office and warehouse buildings in the past 15 months. From Ottawa comes the news that A. L. Mailman has purchased the factory building of the bankrupt Hull Iron Foundries.

Mailman interests today are spread over three continents—they may be investing in a fourth tomorrow. Certainly geography would not stop them.

Who are these men who are always ready to study "interesting situations?"

Abraham Lawrence Mailman, 51, ("Abe" to his intimates, "A. L." to business associates) as the elder brother is the driving force behind the family undertakings, and president of Mailman Corp. Younger brother Joseph Lawrence Mailman, 47, who makes his home in New York, is president of Pal Blade Co., parent of the Canadian Pal Blade Corp. Ltd.

Financial manager for the brothers is short, dark, keen, Harry Alpern, certified public accountant, secretary-treasurer of Pal Blade Co., treasurer of Mailman Corp. He sits in on family conclaves when important decisions are made, particularly those which involve sizeable sums.

Look for Diversification

Until Mailman Corp. became a public company, A. L. Mailman was something of a mystery man in Canadian business. Family holdings in Mailman Corp. alone run more than $2.6 millions at today's market price. Other Canadian investments would probably equal or exceed this amount.

Mr. Mailman told The Post that the basic idea behind Mailman Corp was diversification. Generally, he says, he tried to parallel in the industrial field what the investment trusts were doing in the way of diversified investment portfolios.

"If it is sound to have a diversification of securities in an investment trust in order to assure soundness and safety in security holdings, the same principle should be true in putting together a group of diversified industries," Mr. Mailman says.

The big difference, according to Mr. Mailman, is that in his type of operation he does not invest in companies operated by others. In Mailman Corp., subsidiaries are wholly-owned and the directors of the company can keep a close and expert eye on operations and can exercise direct control.

What's behind the Mailman drive? Those who know "A. L." say an outstanding characteristic is "cordial aggressiveness." He has the ability to get things done without antagonizing people in the process. One intimate volunteered the opinion he was "one part horse-trader, one part seer, several parts salesman, but mostly brain."

New York-born, he came to Canada in 1928, is still a United States' citizen, maintaining homes in Montreal and at Bluff Point, Clinton County, N.Y. He's married, has two married daughters. His hobbies: his family and gin rummy, with long cigars.

How the Corporation Began

He began the formal process of putting Mailman Corp. together in 1945, but it had its beginnings long before that.

Backbone of the Mailman enterprises is the razor blade and cutlery business represented by Pal Blade Co. (in Canada, Pal Blade Corp.).

In 1919 Utica Knife & Cutlery Co. was formed in United States as a partnership between the Mailman and Kraus families. (Otto Kraus, vice-president of Pal Blades is a brother-in-law, his wife is the former Bessie Mailman. He is in charge of sales promotion for the razor blade business throughout the world and is largely responsible for the rapid growth of this business. In Canada, Wm. Margolin, vice-president of Pal Blade Corp., has been handling sales for the past 30 years.)

Pal Blade first started in a small Montreal factory, in 1926. The Mailmans had been importing blades from Europe and decided they could do better by manufacturing their own product. The company soon outgrew its original plant and moved across the line to Plattsburg, N.Y. Today there are subsidiaries in South America, Scotland and Montreal.

In Canada, rubber footwear provided the foundation for the industrial consolidation now known as Mailman Corp. Back in 1934 Mailman was importing rubber footwear from Czechoslovakia, handling about $1 million worth of goods. High tariffs on imported rubber footwear made this big volume importing business a money-losing proposition.

Rather than go out of business, "A. L." decided to manufacture in Canada. In 1935, with the Dufresne brothers, he organized the British Rubber Co. of Canada. (Mailman later bought out the Dufresne interests.) They took over a plant in the Montreal suburb of St. Laurent and began turning out 1,000 pairs of rubber footwear a day.

In the same year the Mailmans personally bought Perfection Tire Co. at Lachine, then in liquidation, and went into the tire business as well. During the war, the company went out of the automobile tire business, hasn't got back in. In 1944 a fire destroyed the St. Laurent plant but this has now been replaced with new buildings and equipment at the Lachine location. Capacity today is said to run about 15,000 pairs of rubber footwear a day—second largest in Canada.

Holding Company Grows

The gradual development of British Rubber Co. of Canada as a holding company led to the eventual formation of Mailman Corp.

In 1944, the Mailmans sold Perfection Tire Corp. to British Rubber, the first step in the transfer of personal holdings into the larger company.

Early in 1945, British Rubber purchased the capital stock of Huron Manufacturing Co. This company, with a factory at Loretteville, Que., had begun as a philanthropic enterprise to help the Indians in the district market their handicraft products. Operated on a commercial basis, Huron Manufacturing as a Mailman Corp. subsidiary makes a tidy contribution to consolidated profits and is marketing an important part of its leather goods, tourist novelties, etc., in the United States.

In the same year "A. L." arranged the first important addition to Mailman Corp. Mailman interests purchased the entire capital stock of J. H. Connor & Son, washing machine manufacturer which had been in business in Ottawa since 1875. In 1947 the J. H. Connor stock was sold through Utica Co., (a Mailman-controlled company) to Mailman Corp. for $1,065,000, the book value of the company at that time.

After 1945, the additions to Mailman Corp. came thick and fast. In 1946, Montreal Shoe Stores (43-store retail chain) was added. During the next two years the company purchased George R. Prowse Range Co. from Mr. Mailman for $184,007, his cost; Canadian Wright from its owners for $371,360. About the same time Mr. Mailman purchased Ottawa Car & Aircraft and this company sold certain fixed assets and machinery to the Connor Co. for $200,000 to get Connor started in the railway coach seat business.

All these additions were made under the name of British Rubber Co. of Can. Last year "A. L." decided it was time for a change of name since British Rubber had become in fact a holding company. British Rubber Co., a management company and wholly-owned subsidiary, now operates the rubber footwear division on a management-fee basis.

To pay for its expansion, Mailman Corp. has sold $2 millions of 5% preferred $100 par stock (17,764 outstanding at April 30, 1949). With the second issue of 12,500 preferred shares last year, 62,500 common shares were offered—buyers of preferred could purchase five common for every preferred. These common shares were sold by Joseph Mailman and did not represent a new issue. Apart from these 62,500 shares and another 34,000 common shares held by employees and key men, the balance of the 272,300 outstanding are owned or controlled by Mailman interests.

Subsidiary Managers Stay

In taking over the operating subsidiaries of Mailman Corp., Mr. Mailman has left the existing management largely undisturbed.

W. M. Connor, son of the founder J. H. Connor, still heads up this company.

A. Stuart McLean, vice-president and plant manager at British Rubber has been with the company almost since its inception. Secretary W. H. Davis also doubles as acting general manager of Montreal Shoe Stores. Mailman people say that Davis, who is a financial man by trade, has shown quite a flair in the merchandising field. A. B. Lewis is technical director of British Rubber, and E. G. Wellheiser, a former B. F. Goodrich man, is sales manager.

H. V. Wright, president of Canadian Wright, and John A. McVey of Prowse Range continue as operating heads of their respective companies.

John Parent, manager of Huron Manufacturing, is said to be building up a brisk trade for his moccasins, work mitts, tourist novelties; and with the help of Mailman connections has developed a valuable jobbing outlet in Chicago.

As far as the Canadian operations are concerned, Mr. Mailman's right hand man is 38-year-old Norman H. Bell, former plant manager at the wartime Noorduyn Aircraft factory. Mr. Bell is president of Castings of Ottawa, a J. H. Connor subsidiary and as assistant to the president of Mailman Corp., handles industrial relations for the group; acts as liaison officer for many of the subsidiaries.

W. S. "Bill" Montgomery is probably "A. L.'s" left hand man— serves as legman in Mailman's local financial operations. He is assistant secretary and assistant treasurer for Mailman Corp.

Use Outside Suppliers

Mr. Mailman says that he is not trying to develop a fully integrated company. If a company can be integrated with other operations, so much the bettter, but it is not to be a first consideration.

Under the present organization, some of the subsidiaries do act as suppliers for others but there is no obligation on any of the units to buy within the organization. British Rubber, for example, is making some molded rubber parts for Connor washing machines. It also sells rubber footwear to Montreal Shoe Stores but it is only one of many suppliers. Canadian Wright, which overhauls Rolls Royce Merlin engines for RCAF and TCA planes, has little in common with Huron Manufacturing and Prowse Range, which makes restaurant kitchen equipment and operates largely as it did before it became part of Mailman Corp.

Primary aim of Mailman Corp. was set out by President Mailman in the first annual report this year, when he said: "The Corporation's long-range program (is) to purchase, on an attractive basis, sound established companies possessing good possibilities of future growth, particularly when owing to existing tax laws owners of privately-held companies find it advantageous to sell."

Chances are there would be no Mailman Corp. today if succession duties did not take such a bite out of privately-owned industrial enterprises. J. H. Connor, Canadian Wright, Prowse Range all had lush earned surplus accounts which would have made nice picking for the tax collectors but scant fare for the estate heirs.

Now that Mailman Corp has celebrated its first anniversary, investors are asking: Just how good a company is it? They note that the common stock which was offered last year at $19 a share is now standing around $15-$15¼ — or about five times the $3.08 earned on the common in 1948.

Evidence from one year's operations is not enough to make any kind of accurate estimate of the company's future earning ability. But win, lose or draw, A. L. Mailman thinks his kind of set-up has a lot to recommend it.

Combine Experience of all

He points out that in an expanding economy like that of Canada it takes money to make money. And while some may bemoan the growth of small business into big business, he points out that you cannot do a multi-million dollar business with a thousand-dollar plant. Another benefit, he thinks, is the experience which Mailman Corp. gets from its own officers and directors and those of its subsidiaries—experience which can be applied to the whole enterprise.

The J. H. Connor operation is one example of the kind of assistance which a Mailman-type holding company can give its subsidiaries. This company is just about ready to market a new automatic washing machine. The machine was made possible by a Mailman-instigated deal with Apex Manufacturing Co. in United States under which Connor got manufacturing rights to the De Remer patent. In the same way, the far-flung Mailman interests can go to work for other subsidiaries.

But with all the benefits of organization there is little doubt that it is A. L. Mailman who makes all the parts work in Mailman Corp. Since he took over J. H. Connor in 1946 new machinery and equipment has been added, staff doubled, production up 300%. The old company has learned new merchandising methods; a point-of-sale, newspaper, and national magazines advertising program is now being lined up to push the new automatics.

Shareholders at the company's annual meeting got a brief look at "A. L." the salesman. For the benefit of shareholders, Mr. Mailman had Mr. Connor himself provide word-of-mouth testimony on the features of the new Connor automatic which Mr. Connor's wife had tested. The high point came when president Mailman said that the company fully expected the machine would "wash clothes cleaner and dry clothes drier than any machine had ever done before."

Competition in the washing machine or any other business is getting keener every day. No one knows this better than A. L. Mailman. As a competitor he has a reputation of being able to hold his own. Back in 1937 British Rubber was engaged in a price war with other rubber footwear manufacturers. Mailman kept his independence.

Retail competitive price means, at the manufacturing level, costs. "A. L." and financial expert Harry Alpern know the day-by-day volume of sales, manufacturing output, inventory position. As Alpern puts it: "We know where we stand at any given time, so the situation never gets out of hand."

On the basis of the $1.8 millions operating profit last year, the situation looked to be pretty well in hand. Montreal Shoe Stores did not contribute anything to this figure but President Mailman says it will do better in the future. British Rubber Co. Treasurer M. W. Gallop says: "We must have snow."

The big throw for Mailman Corp. this year is the new automatic washing machine. With the help of its 1,200 dealers and plenty of sales effort Connor hopes to capture a big slice of the Canadian market.

In the coming months the pressure will be on Connor men like, Vice-president W. W. Johnston, Eastern Sales Manager L. E. Cote and comptroller A. M. Gibson, another ex-Noorduyn man.

And while all this is going on A. L. Mailman with brother Joseph and accountant Alpern will be looking into other "interesting situations."

MARATHON CORP. and its subsidiaries consolidated net earnings in the nine months ended July 31, 1949, were $3,390,857 ($4,290,336 in corresponding nine months of preceding fiscal year), President D. C. Everest announced. After preferred stock dividends, earnings were equivalent to $2.47 a share on the 1,300,000 common shares outstanding ($3.16). Net sales were $43,865,183 ($41,143,520).

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B. C. Salmon Pack Lower Domestic Demand Strong

The total canned salmon pack as at Aug. 6, 1949, is 17% lower than the total pack for the corresponding period last year, but is only 3% behind the average of the past five years, J. M. Buchanan, president of British Columbia Packers Ltd., states in the company's annual report in outlining prospects for 1949-50 production. The current halibut season again produced the quotas authorized to be taken.

Little hope is held out for a run of pilchards this year, although the company is prepared to catch and process this species if runs should develop, Mr. Buchanan states. The runs of herring are expected to be normal, but not so great as the record runs of last year. The very drastic reduction in herring oil prices may be a deterrent to fishing effort and result in reduced landings, he says.

In referring to markets and sales prospects Mr. Buchanan comments as follows:

(a) Canned Salmon — The domestic demand for canned salmon is reasonably strong and with a planned industry advertising and promotional campaign the market should absorb a larger quantity. In addition the industry has been favored with a contract from Britain to supply 410,000 cases of the 1949 pack, which will partially restore lost export volume.

Very few export markets were open for the 1948 canned salmon pack and it was necessary to rely on the Canadian market more than ever before. The traditional British market was unable to purchase due to dollar shortage.

The Canadian market was bare of stocks of canned salmon when the 1948 pack became available late July. This resulted in a strong demand which continued until the fall when the seasonal demand for canned salmon lessens. This early demand was not sufficiently strong to dispose of the total pack of cohoe and keta.

Although it was anticipated that the domestic market would readily absorb most of the surplus stocks of cohoe and keta during this spring when canned salmon consumption normally increases, and that export markets would buy keta, the anticipated domestic demand did not materialize as consumers apparently were not prepared to substitute cohoe and keta for sockeye and pinks, which were by then, in small supply. Due to the lack of dollar funds export business did not materialize. South Africa the last important Empire market, was lost in November when imports of Canadian canned fish were prohibited.

The Canadian market absorbed approximately 65% of B. C. 1948 canned salmon pack; 25% was sold in export markets, and 10% remained unsold at April 30, 1949.

(b) Canned Herring — Although many countries desire supplies, few of them are capable of buying in volume due to lack of dollars. Orders for herring from relief organizations were practically non-existent during the past year. The small B. C. pack of 92,815 cases for the past season reflects present outlook for this product.

(c) Edible Fish Meals & Oils — The fish meal market is strong owing to a shortage of supplies but a decrease in demand for animal feeding materials or an increase in the availability of competitive protein feeding materials could weaken the market. The market for all fats and oils is weak due to abundance of competitive products, both animal and vegetable, particularly in the United States.

In the past year the fish meal market was firm and a much larger proportion of the production was exported than during the previous year. The fish oil market was weaker than the meal market with a definite softness showing towards the end of the season when international and Canadian controls ceased. Nearly 40% of total B. C. production of fish oils were exported.

(d) Fresh, Frozen, Filleted, Smoked & Mild Cured Fish — Current buying prices, with higher processing and transportation costs, make marketing of Pacific coast halibut and salmon sensitive to general business conditions, and particularly to the prices of competitive foods.

The buoyant price level of April 1948 continued through the summer buying months; then began a period of depressed prices which persisted until the beginning of Lent, followed by an uptorn, particularly in halibut, at the close of the season. Company's total volume last year was the largest in recent years and good progress was made in further establishing important outlets, especially for the frozen salmon and for its complete line of packaged fish fillets.

Following table shows the total British Columbia production of the chief fishery products for the last two years.

	Calendar Years 1947	1948
Canned Salmon: (In cases)		
Sockeye	286,109	260,642
Cohoe, Springs, Bluebacks & Steelheads	157,367	229,220
Pinks	599,883	321,722
Keta (Chums)	461,799	496,553
	1,505,158	1,308,137
Frozen Fish: (In pounds)		
Salmon	22,746,800	20,015,300
Halibut	14,913,600	12,652,500
Black Cod (sablefish)	923,200	1,720,300
Miscellaneous: (Sole, Pacific Cod, Ling Cod, Red Cod, Smelts, etc.)	2,378,300	4,597,400
Tuna	880,400	743,900
	41,842,300	39,729,400
Mild Cured Salmon: (In tierces each of 825 lb. net weight)	1,884	1,071
Vitamin Liver Oils: (In pounds)	2,606,290	2,147,780
	Overlapping Seasons 1947-48	1948-49
Herring: Total catch (in tons)	171,434	189,252
Canned (cases)	1,255,562	92,815
Oil (imp. gals.)	1,880,943	2,567,940
Meal (tons)	21,170	31,606
Pilchards: Total catch (in tons)	485	nil
Canned (cases)	1,606	nil
Oil (imp. gals.)	12,959	nil
Meal (tons)	67	nil

(All canned production is shown in cases of 48 pounds).

Will Proceed With B. C. Mill

VANCOUVER—Canadian Western Lumber Co. will go ahead with its pulp mill project at Duncan Bay, Robert Filberg, vice-president, told a service club meeting at Campbell River, near the proposed plant site.

Mr. Filberg said the project would be a 300-ton-per-day dissolving pulp mill, to cost between $35 and $40 millions.

No date has been set for construction start, but the CWL contract with the B. C. Government for a forest management license Vancouver Island expires Dec. 31, 1952, if actual construction has not begun then.

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INCOME TAX

Doctor's Expenses

I am a doctor starting in general practice. Am I allowed to deduct the cost of supplies used in my medical work, also salary paid telephone operator?

Yes. You are allowed to deduct such expenses. You should, however, keep a record of all such expenditures, why the expense was incurred and to whom the money was paid.

INVESTMENTS

Yellowknife Bear

Would you please let me know the interest of Yellowknife Bear Mines in Giant Yellowknife, its position generally, and the prospect for dividends?

Yellowknife Bear Mines owns 1,140,626 shares of Giant Yellowknife Gold Mines, 915,000 shares of Yellorex Mines as well as numerous other shareholdings, and claim groups in the Yellowknife area. It has 4,814,041 shares of its own outstanding. A commitment has been taken by directors to pass along the major part of Giant Yellowknife dividends to Yellowknife Bear shareholders when Giant reaches the dividend stage.

John Labatt Ltd.

Please give me some information on capitalization earnings and dividend record of John Labatt, Ltd.

Capitalization of John Labatt Ltd. consists solely of no par value common stock of which there are one million shares authorized and 900,000 shares issued and outstanding. This stock is currently quoted about $19¾ a share to yield around 5.06% on the basis of its $1 current annual dividend rate.

The company's fiscal year ends on Sept. 30. Earnings per share amounted to $1.92 in 1947-48, $2.16 in 1946-47, $1.73 in 1945-46 and $1.70 in 1944-45.

Dividends are paid at the rate of $1 a share a year payable quarterly. The initial payment of 25c a share was made Aug. 1, 1945. An extra dividend of 25c a share was paid on the common stock on Nov. 1, 1947. Policy of the company is to build up cash reserves in order to finance construction out of earnings.

Working capital amounted to $2,124,216 at Sept. 30, 1948, as compared with $2,366,560 a year before and with $2,965,752 at Sept. 30, 1945.

First public offering of this company's stock was in June, 1945 when 180,000 no par value common shares were offered at $20 a share by McLeod, Young, Weir & Co. and Cochran, Murray & Co.

Construction work at the company's Toronto plant was completed during the 1947-48 fiscal year and a new retail store and modern fully equipped garage were built. At the London, Ont., plant, additional fermenting and storage capacity is being built and construction of a fifth bottling unit has been authorized. These additional facilities are estimated to cost a further $2,300,000 and should improve the earnings of the company when in operation, President John Labatt stated in the last annual report.

Brand & Millen

Will you please give me a brief review of the earnings outlook for Brand & Millen Ltd.

The company's monthly statement at the end of June, 1949, showed definite progress, Secretary-Treasurer J. R. Duggan tells The Financial Post. Its fiscal year ended July 31 and an annual report will be going out in due course.

The company's president, Mr. H. Lehman, died very suddenly in July. No new president has been elected yet.

The last annual report did not appear until May, 1949, but in addition to statements for the year ended July 31, 1948, interim statements covered the five-month period ending Dec. 31, 1948.

The company had a net loss for the year ended July 31, 1948, of $223,404 as a result of a decline of 52% in sales following imposition of import restrictions and the addition of 15% excise tax. The statement showed an encouraging improvement for the five months ended Dec. 31, 1948, and a net profit of $861 for that period.

Considerable reduction has been achieved in expenses despite heavy expenditures for television and other developments, the report stated.

A contract had been entered into with Garod Electronics Corp. of New York for the exclusive production and sale of their products in Canada. The contract also included complete engineering and consulting service. In collaboration with Garod, television models have been successfully adapted to the Canadian standards and production is in full swing, the report stated. In addition, orders on hand for radios and electronic devices were said to be highly satisfactory.

The company, as you know, manufactures and sells radios, marketed under the trade name of "Astra," phonographs and electronic devices. It also manufactures a portable fluorescent light known as "Astralite."

VILLAGE OF NORWOOD, Ont., has sold $100,000 3½% installment debentures dated Sept. 1, 1949 and due Sept. 1, 1950 to 1969, to Midland Securities Ltd. at a price of $100.77, a cost basis of about 3.41%. Proceeds are for installation of a waterworks system.

INDUSTRIAL ACCEPTANCE CORP. Application for listing the issued and outstanding 80,000 5% cumulative preferred shares of $25 par value on the Toronto Stock Exchange has been granted. The stock was posted for trading Monday, Aug. 29, with ticker abbreviation of "IAC CON PR." The 5% cumulative preferred shares of $100 par value, the 4¼% cumulative preferred of $100 par and the common shares without par are already listed.

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Nationalization of Insurance in U. K. Would Lower British Dollar Income

What effect would nationalization of insurance in the United Kingdom have on Canada?

At its Whitsuntide Conference the British Labor party discussed proposals that the Labor Government should take over industrial life insurance in the United Kingdom. As matters stand now this is not definitely a plank in the Labor party platform, for the next election. But the fact that it is being considered is of importance to Canadian policyholders of British companies, and Canadian companies operating in Britain.

Although the present discussions affect only industrial life insurance, nationalization of that branch is seen as the thin edge of the wedge, which might eventually affect the whole business.

The original proposal from the outset met several difficulties. One was that while a large part of the total industrial life insurance in the United Kingdom is written by stock companies, the two largest being the Prudential and the Pearl, a large volume is also done by the co-operatives, a type of organization the Socialist government claims to encourage.

Separation of Funds

Then too it was claimed with considerable force that in companies such as the Prudential and the Pearl, difficulty would be found in "hiving-off" the funds for the industrial life section as distinct from other departments. Both the Prudential and the Pearl do a large volume of ordinary life as well as fire and casualty insurance and some difficulty is seen in separating the funds of the different branches.

On at least two occasions in the last three years, government spokesmen, including the Chancellor of the Exchequer and the Prime Minister, stated emphatically that there was no intention to interfere with the conduct of insurance as a private enterprise. Some hint was later given that any proposals of nationalization affected industrial insurance only. The apparent change in front is disquieting.

If, however, business of the British companies were nationalized, how would it affect the Canadian public?

No British company at present writes industrial life insurance in Canada. But at the end of 1948 British companies operating in Canada had $260 millions of life insurance in force, while in 1948 fire insurance premiums paid to British companies totaled $37.6 millions; automobile premiums, $19.9 millions, and over $12.5 millions for other classes of general insurance, a total of about $69 millions.

It is doubtful if much or any of this insurance would be left with the British companies, operating under government ownership and control. In any case, the Canadian policyholders would have to decide that for themselves. Under government sales and conservation policies, the volume would probably decline sharply. Financially, of course, Canadian policyholders are well protected by the deposits held by the Receiver-General at Ottawa on their behalf.

Six Canadian companies writing life insurance in the United Kingdom at the end of 1948 had well over $1 billion of life insurance and annuities in force there.

But there are also a number of Canadian fire and casualty insurance companies that operate in the United Kingdom. Under nationalization this business would all be transferred to the British Government with the inevitable result that the Canadian companies would withdraw from the British Isles.

The withdrawal of the Canadian companies from the United Kingdom and decline of the British business in Canada, because the Canadian public would not care to do business with government-operated insurance companies, would affect the invisible trade of both countries.

The effect on Britain would be serious. Earnings of the British insurance business overseas have been estimated conservatively as showing a profit of £33 millions in hard currencies or over $132 millions a year,—a big item, especially at present, when Britain is seeking to increase her exports, visible and invisible—and her income of dollars.

Much of this insurance income comes back to Canada to pay for British purchases of goods and other services. If Britain loses this income it will mean less money for the United Kingdom to spend in Canada.

Accordingly the results of nationalization of British insurance are seen from a Canadian standpoint as follows:

Under government, selling activity will probably slacken, costs increase, bonuses to policyholders decline, Canadian policyholders tend to transfer their policies to companies not operated by the Government.

Canadian companies cease to operate in the United Kingdom, thereby reducing the invisible exports of Canada by the amount of earnings from the insurance business in Britain.

Britain's invisible exports suffer to the possible extent of $133 millions annually.

Thus the logical question that Canadians are asking is "Why Nationalize when nobody gains?"

MAILMAN CORP.: An additional 30 preferred shares have been redeemed and cancelled. There are now 16,645 preferred shares issued and outstanding.

Over $105 Millions Paid By Life Insurance Firms

Payments in First Half of 1949 Approximate Total Income of Companies in Canada For 1920 — Over 61% to Living Policyholders

As the volume of life insurance in force grows in Canada, Canadians are withdrawing greater sums in benefits. More than 61% of these payments in the first six months of 1949 were made to living policyholders.

The total payments by the life insurance companies in Canada, in the first six months of 1949 were over $105 millions, 7.14% over the same period of 1948 when almost $98 millions was distributed, figures released by the Canadian Life Insurance Officers Association show.

The benefits paid for the six months approximate the income of the life insurance companies operating in Canada for the whole of 1920.

The payments to policyholders and beneficiaries are the current benefits people get from their insurance programs, most of which were set up in past years. Each year many life insurance policies became payable, death benefits in some instances becoming due after only a few premiums have been paid.

Policyholders Benefit

Policyholders themselves benefit through matured endowments, disability benefits, annuity payments, surrender values and dividends to policyholders.

Thousands of Canadian families benefited by claims made on account of death and accidental death. Such claims in the first half year totaled 33,500, resulting in about $40 millions being paid to beneficiaries of deceased policyholders. This is a new record, but the increase is the result of more life insurance being in force, with policies getting older each year.

Death benefit payments on ordinary insurance policies totaled $30 millions, on industrial policies, almost $4 millions and on group certificates, over $5.5 millions.

Payments, by the 50 odd companies operating in Canada, to living policyholders in the half year totaled over $65 millions. During the period, 8,087 ordinary and 26,057 industrial endowments matured and their holders received over $17.2 millions. Disability payments were $1.9 millions; annuity payments $3,490,000; surrender values $23,700,000 and dividends to policyholders $18.6 millions.

Surrender Values Normal

The surrender values figure is considered normal, in view of the life insurance in force. In many cases where policies had been surrendered for cash values the need for life insurance carried had ceased to exist.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN WIREBOUND BOXES LTD. net profit for the year ended April 30, 1949 was up 19%. Sales volume was maintained throughout the year, the annual report states.

Capital expenditures for plant and equipment amounted to $268,340 and $50,000 was paid off the serial debentures. Distribution of the sales dollar shows 56.84% going for materials and supplies, 21.21% for payrolls, 10.55% for selling and operating, 4.47% for federal and provincial income taxes, 1.80% for dividends for shareholders, 2.70% for capital expenditures and 2.43% retained as working capital.

INCOME ACCOUNT

Years Ended Apr. 30:	1949	1948
Net earnings	$842,402	$826,029
Less: Deprec.	104,738	96,159
Inc. tax res.	288,300	353,221
Net profit	449,364	377,649
Less appropriations:		
Spec. surp. acct.	44,936	37,765
Cl. A divds.	76,372	76,372
Cl. B divds.	40,000	40,000
Surplus for year	288,056	223,512
Earnings per Share and Dividend Record:		
Class A†	$7.94	$6.68
Class A‡	4.67	3.96
Paid	1.50	1.50
Class B‡	4.17	3.46
Paid	1.00	1.00

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Apr. 30:	1949	1948
Cash	$517,799	$198,403
Guar. inv. cert.	400,000	400,000
Acctz., etc., rec.	674,129	625,071
Inventories	805,304	1,060,747
Total curr. assets	2,397,232	2,284,221
Prep. exp.§	33,624	36,128
Misc. assets▲	99,528	137,510
Fixed assets♦	2,672,206	2,510,153
Total assets	5,202,683	4,968,012
Bank advances	18,550	23,550
Debent. due	50,000	50,000
Other curr. liab.	647,823	690,782
Total curr. liab.	716,373	764,332
Funded debt	900,000	950,000
Fixed asset adj.■	1,013,852	1,014,245
Capital stock	1,363,790	1,363,790
Special surplus	317,721	272,785
Earned surplus	890,916	602,860
♦After depr. of	199,066	......
▲Incl. ref. EPT	91,128	129,716

■Excess of appraisal values over book values of fixed assets, less patents, leases, etc., w/o.

§Incl. in current assets in co's. report.

Working capital	1,680,859	1,519,889

R & M BEARINGS CANADA LTD. net profit for the six months period ended June 30, 1949, amounted to $6,148 as compared with $13,721 for the entire 1948 year. It was necessary to change end of company's fiscal year to comply with requirements of parent company in England.

Competition continues very keen; however, deliveries from suppliers show improvement and sales are being maintained "fairly satisfactorily" in view of general conditions, the annual report states. Extension of outlets, it is hoped, will be reflected in sales expansion during the next 12 months. Facilities have been doubled in Quebec City, an office and warehouse has been established in Hamilton and a resident representative located in London, Ont. Results to date are said encouraging.

The company has acquired the sole Canadian agency rights on an essential product complementary to the lines now handled. Through co-operation with parent company, negotiations are now pending for an additional product.

INCOME ACCOUNT

Years Ended:	●June 30 1949	Dec. 31 1948
Gross trade profit	$79,581	$183,477
Net earnings	11,219	50,568
Less: Deprec.	1,168	2,270
Income tax	2,700	19,000
Reorg. exp.	1,203	15,577
Net profit	6,148	13,721
Less: Cl. A divds.	3,850	1,960
Pref. (old) divds.	......	1,050
Com. (old)	......	12,605
Surplus for year	2,298	■1,894

■Deficit.

Earnings per Share§ and Dividend Record:		
Class A†	$0.88	$1.96
Class A*	0.55	1.10
Paid	0.55	0.28
Class B†	0.38	1.00
Class B‡	0.38	1.00
None paid.		
Pref. (old) paid	......	7.00
Com. (old) paid	......	126.05

●Six months' period.

†Before (‡after) participation.

*Maximum available in year under participation clause.

§Based on present capitalization.

CONDENSED BALANCE SHEET

As at:	June 30 1949	Dec. 31 1948
Cash	$2,796	$2,760
Accts. rec.	80,447	92,162
Investments†	44,050	64,030
Inventories	187,931	169,830
Total curr. assets	315,224	328,782
Misc. assets▲	6,275	11,181
Fixed assets*	10,893	9,251
Goodwill	10,000	10,000
Total assets	342,392	359,214
Bank loans (sec.)	3,321	31,140
Loan—R&M Bearing Co., Eng.	25,034	12,964
Accts., etc., pay.	95,734	90,617
Taxes pay.	6,293	14,802
Total curr. liabs.	130,382	149,523
Capital stock	10,000	10,000
Earned surplus▲	202,010	199,711
†Market val.	44,470	65,300
*After depr. of	14,785	14,850
▲Incl. ref. EPT	5,817	11,181
Working capital	184,842	179,259

BREWERS & DISTILLERS OF VANCOUVER LTD. reports net profits of $295,416 in the six months ended June 30, 1949, down 16% from the net of $352,288 in the first half of 1948. The net profit is equal to 51c a share in the first six months of 1949 (61c).

California Firm Has Service Planned to Cut Cheque Frauds

A Los Angeles firm, Robert Dolin Associates has evolved a service which it is hoped will be of value in reducing fraudulent cheque losses which cost United States business and professional men over $500 millions in 1948, it is estimated.

Within 24 hours after police agencies issue warnings on fraudulent cheques, all available information is supplied to subscribers in the form of a complete and readily accessible identification file.

This file not only gives data on individual offenders but also a complete list of stolen post office and express money orders and stolen or fictitiously printed cheques.

A switchboard is available 16 hours a day where complete files are available on active, inactive, "in-custody" and "out-on-bail" cheque passers. This makes it possible for the busy banker or merchant to streamline his own file, keeping only the most active cases on record and removing others as the bulletin tells him of arrests and long periods of inactivity.

Each card contains the true name of the cheque passer, his aliases, his description, a reproduction of the cheque showing his signature, a description of the manner in which he perpetrates a fraud, and his photo when available. For each alias a separate card is provided listing all the above information so that no crosschecking is required.

Effectiveness of the system is stated to be enhanced by the experience of law enforcement agencies that bad cheque passers often use the same names because their identification media are limited to those names. The Dolin agency also works in close co-operation with all law enforcement agencies.

Canadian bankers usually rely on their own files and those of the central bureau of the Royal Canadian Mounted Police and different municipal police forces, it is understood. They believe that the more information available on perpetrators of cheque frauds the better, as it all helps to make the crooks' operations more difficult.

Mutual of N.Y. Benefits $2.2 Millions Weekly

Policyholders of the Mutual Life Insurance Co. of New York and their families, in the first six months of 1949, received benefit payments at the rate of $2,215,000 a week, the company's semi-annual report reveals.

Total payments for the period were $57 millions. Over half went to living policyholders as dividends, matured endowments, annuities and other benefits. Death benefits totaled $27.3 millions.

Due to the company's speed-up procedure in handling payments, over 99% of all death benefits were paid within 24 hours after completed papers were received. In 30% of the cases, beneficiaries received immediate over-the-counter payment at agency offices. One of every 200 death payments was made on a policy less than a year old, one of 36 cases on policies in force less than five years. Mortality experience in the first half of 1949 was 52.5% of expected.

New business in the six months was $138 millions ($151.3 millions in 1948). Business in force on June 30 totaled $4,269 millions ($4,174 millions in 1948).

EASTERN BAKERIES LTD., Saint John, N.B., had a net profit of $78,490 for the year ended June 30, 1949. This is equivalent to $15.70 a 4% preferred share.

Earnings from operations were $205,886, depreciation $74,396 and income tax $53,000.

The balance sheet shows total assets of $847,782 after goodwill had been written off by a charge of $99,999 to $1 in the past year. Fixed assets amount to $497,007 after reserve for depreciation of $391,400.

Current assets total $280,356 including inventories of $118,611; current liabilities are $161,947, leaving working capital of $126,409.

The company had commitments at June 30, 1949 amounting to about $60,000 for the acquisition of fixed assets.

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Farmers' Borrowings Show Increase Under Farm Improvement Loans Act

Now that supplies of equipment, building materials, etc., are more plentiful, Canadian farmers are making increasing use of the Farm Improvement Loans Act. Borrowings in the first six months of 1948 totaled $18 millions, an increase of 45% over the $12,265,821 total for the first half of 1948.

Of the total amount borrowed, $11 millions was to finance the purchase of 10,000 tractors. Another $5 millions was borrowed to finance other agricultural implements and trucks. Examples of other purposes for which these loans are made include 689 loans, amounting to $309,713 in the first half of 1949, for brushing and clearing over 36,000 acres of land in new agricultural areas opening up in Canada. Also $72,000 was borrowed for installation of farm electric systems and $960,000 for farm buildings and repairs.

Total loans up to the end of 1948 under this act were $60,754,259, the loans made in the first half of 1949 bringing the total since inception to approximately $78.7 millions.

New Record Indicated

At the rate of borrowing for the first half of 1949, loans for the full 12 months promise to exceed those of any other year, since this act came into force March 1, 1945.

Borrowings for each year since that date to Dec. 31, 1948, are as follows:

Year	Number of Loans	Amnt. $
1945 (10 mos)	4,311	3,381,742
1946	13,030	9,880,566
1947	22,046	18,160,821
1948	30,431	29,331,131
Total	69,818	60,754,260

When the $18 millions for the half of 1949 are added, the total to June 30 is over $78 millions.

A noticeable feature of the borrowing in the six months under review is that borrowings in Eastern Canada have shown a big increase. In the first four years of operation, western farmers used the facilities of the FILA much more than eastern farmers. But the six months' report shows increases in loans in the various sections as follows: Ontario 88%; Quebec 132%; Maritimes 99%; Prairies 31%.

The FILA aims at assisting particularly farmers of average means who in the past were often unable to obtain credit on medium or long terms for the purchase of implements and equipment and to improve his living quarters. It provides credit under terms and conditions convenient and suitable to the needs of the particular farm borrower, and the particular part of the country he lives in.

Make Farm Life Pleasanter

It is aimed at making life on the farms pleasanter and thus inducing people to remain on the farms and others to take up farm life.

The loans are obtainable from the chartered banks and the amount that can be borrowed ranges up to $3,000 for periods from one to ten years. Interest is payable at 5%.

The banks are guaranteed by the Government against losses up to 10% of the aggregate principal amount of loans made by each bank. The Government's liability is limited to an aggregate principal amount of $250 millions in loans by all banks over six years.

When the FILA came into force in 1945 it was effective for three years. But in 1948 it was extended for another three years.

Banks' Powers Enlarged

It enlarged the powers of the banks to permit them to take as security a lien on implements and equipment purchased by borrowed funds or to take a mortgage on farm property. The authority for the banks to take a mortgage on a farm property was an entirely new development in Canadian banking.

The wider powers of the banks in taking liens on equipment and mortgages on farm property as security for loans enabled many farmers to get bank loans much more readily than before. Moreover the longer terms up to 10 years is a big convenience as formerly bank loans to farmers were made for months when the loan had to be renewed. This caused some inconvenience to farmers and was a source of much irritation to them.

In the report for 1948 the loans for purchase of farm implements and trucks were 87.7% of the total with a value of $26.7 millions. This was estimated to represent a total sales volume of $45.4 millions for farm implements and trucks. The total loans of $960,000 for farm buildings and repairs for the first half year of 1949 indicates a higher rate of borrowing than in 1948 when loans for this purpose for the whole year totaled $1,350,981.

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Staff Changes

Chartered banks announce the following staff changes:

Montreal:

J. F. FINK, manager, Drumbo, Ont., to be manager, Bothwell, Ont.

T. R. FRANCIS, accountant, Brandon, to be assistant manager that branch.

J. HAMILTON, assistant manager, Brandon, to be manager, Regina.

L. J. C. LANGS, manager, Bothwell, Ont., to be manager, Tilbury, Ont.

G. C. CAMPBELL, manager, Timmins, Ont., to be manager, Trail, B.C.

H. L. McKAY, assistant manager, Regina, to be manager, McGregor St. & Selkirk Ave., Winnipeg.

A. H. BRIDEN, manager, Owen Sound, Ont., to be manager, City Hall branch, London.

C. W. KEMP, manager, Yarker, Ont., to be manager, Thamesville, Ont.

H. HILLIARD, accountant, Kingsville, Ont., to be manager, Yarker, Ont.

* * *

Chartered banks of Canada announce the following staff changes:

Nova Scotia:

G. N. THOMPSON, to be manager, St. Jacobs, Ont.

T. H. CUFF, to be an assistant manager, Queen & McCaul, Toronto.

B. F. McCARTEN, to be accountant, Windsor, N.S.

Royal:

C. R. GEORGE, manager, savings department, Montreal branch, to be manager, Renfrew, Ont.

T. W. DOYLE, Lachine, Que., to be accountant, Wellington & Galt, Verdun, Que.

D. H. REINHARDT, Chatham, Ont., to be accountant, Comber, Ont.

J. E. R. BABINEAU, La Tuque, Que., J. W. DORAN, Barons, Alta., N. E. ZIMMERMAN, Renfrew, Ont., retire.

D. J. MORRIS, Chilliwack, B.C., to be accountant, Courtenay, B.C.

How Much is Boy of 12 Worth When Killed By Negligence?

How much is a boy aged 12 worth in dollars and cents?

The Ontario High Court had to decide this recently in a case where a boy of 12 was killed through another person's negligence. The parents claimed damages. The defendant in the claim admitted liability and it fell on the court to assess the damages.

Father of the boy was a laborer earning $130 a month. His wife also worked, earning $45 a month. They had five children, four at home and supported by the father, who intended to keep the boy at school until he was 16 and then let him go to work.

The court stated that the plaintiffs' claim for damages must be assessed on a cash basis of what benefit they could reasonably have expected to receive if the boy had lived and been willing to contribute to his parents' support after he became 16.

It pointed out that from any such benefit must be deducted cost of the boy's board and lodging until he became 16 years of age, less such amount as he might have earned out of school hours, until he became 16.

Funeral expenses are allowed by statute but at such amount as is actually paid, not exceeding $250. The funeral expenses paid were reported at $195. These are the only allowable disbursements.

At 16 years of age, the deceased would have been quite unskilled and his earnings very small, judgment stated and added: "He could not at best make a very substantial yearly benefit to his parents. If he had lived and married, he probably would have made no contribution. This would again be offset by the expense of maintaining him in school from 11 to 16 years of age. Did the plaintiffs lose anything, taking all these matters into consideration?

After considering all these matters, the court set the damages at $750 which the trial justice described as being somewhat over-generous. This with the funeral expenses of $195 made a total of $945. Judgment was for this amount plus costs.

Record Number of Candidates Are Granted Degree of C.L.U.

At the annual examinations held by the Institute of Chartered Life Underwriters of Canada some 143 candidates (a record number) completed the third year and all prior examinations of the Institute's course. Accordingly they have been awarded the degree of Chartered Life Underwriters of Canada (C.L.U.)

All provinces except Newfoundland, which entered Confederation in April, are represented in the list of new C.L.U.'s as follows: British Columbia 7; Alberta 9; Saskatchewan 4; Manitoba 15; Ontario 73; Quebec 29; New Brunswick, 1; Nova Scotia 1; Prince Edward Island 1. There were also two from Jamaica and one from London, England. Names of the new C.L.U.'s follow.

BRITISH COLUMBIA

Vancouver:
ROD G. CAMERON, Dominion Life.
EUGENE S. SHARPE, Dominion Life.
MURRAY SIDDONS, Mutual L. of Can.
G. G. WALLACE, Excelsior Life.
HAROLD ZLOTNIK, Great-West Life.
Victoria:
GEORGE GORDON, Great-West Life.
N. F. TANNER, London Life.

ALBERTA

FRED W. RIBALKIN, Manufacturers Life, Lethbridge.
Calgary:
ANGUS L. ANDREWS, Manufacturers Life.
J. R. FLUMERFELT, London Life.
W. J. M. MURRAY, Manufacturers Life.
GRAEME P. SMITH, Canada Life.
Edmonton:
JAMES H. GIBSON, London Life.
GEO. J. KELTIE, London Life.
ROY H. OLBERG, Monarch Life.
ARTHUR L. WHITE, London Life.

SASKATCHEWAN

O. J. KEEHR, London Life, Regina.
Saskatoon:
LEN. C. HEWITT, Mutual of Canada.
C. E. LACINA, Manufacturers Life.
R. A. YOUNG, Manufacturers Life.

MANITOBA

Winnipeg:
RUSSELL ATWELL, London Life.
H. K. BALFOUR, Norwich Union Life Ins. Society.
FRANK E. BROOKS, Mutual of Canada.
ROBERT M. CREIGHTON, London Life.
ALEXANDER E. GIBB, Mutual of Can.
THOMAS A. GOODCHILD, Mutual of Canada.
CARL A. HALLSON, Great-West Life.
THOMAS HANNESSON, London Life.
ERIC JOEL, London Life.
H. D. KOBOLD, Great-West Life.
E. GORDON LADD, Great-West Life.
J. E. H. LEWIS, London Life.
KENNETH M. MacFARLANE, London Life.
J. NELSON RUTHERFORD, London Life.
C. W. TUCKER, Manufacturers Life.

ONTARIO

K. R. RAY, Dominion Life, Brantford.
C. FRANK PORTLOCK, Prudential of America, Belleville.
DONALD W. BROWN, Mutual of Canada, Gananoque.
JOHN A. DALY, Great-West Life, Guelph.
JOHN B. SOMERSET, Dominion Life, Fort William.
JOSEPH J. BENNINGER, Mutual of Canada, Mount Forest.
THOMAS A. GRAY, Canada Life Assce. Co., North Bay.
FRANK E. TURNEY, Prudential of London, Eng., Oshawa.
JOHN GRAHAM, Mutual of Canada, Petrolia.
E. D. WOELFLE, Sun Life of Canada, Port Colborne.
E. B. VANDINE, Imperial Life, St. Thomas.
G. L. SMITH, Mutual of Canada, Sarnia.
E. D. KETCHESON, Canada Life, Stirling.
FRED R. TOMLINSON, Manufacturers Life, Stratford.
STEPHEN E. FREELAND, Manufacturers Life, Winchester.
Barrie:
ALFRED H. HARRIS, London Life.
TOM TATTERSALL, Prudential of London, Eng.
Chatham:
H. R. REYNOLDS, London Life.
T. LAWRENCE WILSON, London Life.
Hamilton:
ERNEST W. BARDOE, London Life.
LESLIE R. BROWN, Canada Life.
CHARLES R. COOME, Canada Life.
ALEX. C. CUTHILL, London Life.
LEO HABER, London Life.
JOHN E. HARRISON, Confederation Life.
JACK R. HUFFA, London Life.
F. O. MARTIN, Mutual of Canada.
WILLIAM MORRIS, Confederation Life.
H. D. ORMEROD, London Life.
JOHN SHEA, Mutual of Canada.
KENNETH A. WHARTON, Canada Life.
Kingston:
JAMES M. BAINES, North American Life.
BERNARD J. FOXTON, Imperial Life.
R. C. OAKS, Canada Life.
Kirkland Lake:
H. G. ROBINSON, London Life.
MANFORD E. SHAIL, North American Life.
London:
JACK P. COSTIGANE, Confederation Life.
PHILIP S. LAWRENCE, Prudential of America.
Ottawa:
LAWRENCE W. BUTLER, Equitable Life Ins. Co.
WILLIAM T. GREEN, Prudential of America.
G. L. McVETY, London Life.
Orillia:
R. E. LANG, Mutual of Canada.
M. A. McPARLAND, Great-West Life.
G. O. WALKER, London Life.
St. Catharines:
JOHN MACKENZIE, Sun Life of Can.
R. H. THOMSON, Confederation Life.
Toronto:
ARTHUR B. CRAWFORD, London Life.
FRASER DEACON, Canada Life.
PETER J. DICKSON, Canada Life.
OREL DUFFEY, Metropolitan Life.
MARSHALL FERGUSON, Mutual of Canada.
DUNCAN J. FINLAYSON, Standard Life.
JOHN J. GARDNER, Prudential of America.
ARTHUR E. GORDON, London Life.
ALFRED C. HANCOCK, Canada Life.
ERNEST R. HARSH, Metropolitan Life.
WILMOT J. HARWOOD, London Life.
WILFRED JACOBSON, London Life.
W. L. JONES, Prudential of London, Eng.
REG. L. KAYLER, Excelsior Life.
M. K. KENNY, Excelsior Life.
HARRY MANSON, Great-West Life.
G. L. MARSHALL, Crown Life.
LEO. H. McLAUGHLIN, London Life.
J. W. MOONEY, Canada Life.
J. H. PETERS, Manufacturers Life.
A. G. RAE, Canada Life.
L. C. RUSSELL, Canada Life.
M. B. SMITH, Crown Life.
BERT T. TRENOUTH, Canada Life.
SAMUEL WEBBER, Imperial Life.
Windsor:
WILLIAM A. GREEN, Dominion Life.
G. W. LANSPEARY, Mutual of Canada.

QUEBEC

OVILA HEBERT, Industrial Life, Drummondville.
PAUL E. DEBLOIS, Metropolitan Life, Jonquière.
ALFRED ROULEAU, Assurance - Vie Desjardins, Lévis.
ROGER LEHOUX, Metropolitan Life, Québec.
Chicoutimi:
ROSAIRE MICHAUD, Industrial Life.
RENE MORIN, Industrial Life.
FRANCOIS SENECHAL, Industrial Life.
Montreal:
MARCEL BEAUCHAMP, Industrial Life.
EMILE BILODEAU, Caisse Nationale d'Assce.-Vie.
GILBERT CADOTTE, Industrial Life.
JEAN L. COUSINEAU, Caisse Nationale d'Economie.
JEAN G. FALARDEAU, La Prévoyance.
PAUL E. FAVREAU, Industrial Life.
GEORGE E. GALLAGHER, London Life.
EUGENE LANARI, Industrial Life.
LUCIEN LANTHIER, Northern Life.
D. A. MACDONALD, London Life.
A. J. MARLING, Great-West Life.
MARCEL MORIN, Prudential of London, Eng.
MARCEL PICHE, Northern Life.
P. E. ROCHON, Industrial Life.
ROGER ROUSSEAU, Northern Life.
M. E. THOMAS, London Life.
E. J. TOBIN, Imperial Life.
ERNEST VEILLEUX, Industrial Life.
JULES VINCENT, Prudential of London, Eng.
Sherbrooke:
ANDRE DUCHESNAY, Prudential of London, Eng.
FERNAND LAMARCHE, Industrial Life.
ROGER LAROSE, Excelsior Life.

NEW BRUNSWICK

L. ROSS GLENN, Canada Life, Woodstock.

NOVA SCOTIA

R. B. PROUDFOOT, Excelsior Life, New Glasgow.

PRINCE EDWARD ISLAND

C. A. R. SHAW, Great-West Life, Montague.

OUTSIDE CANADA

GLEN C. TOMPKINS, Canada Life Assce. Co., London, Eng.
Kingston, Jamaica:
OSCAR B. BURROWES, Confederation Life.
J. A. WILLIAMS, Dominion Life.

The following candidates have completed the third year and all prior examinations but have not yet qualified in other respects for the award of the C.L.U. designation:

BRITISH COLUMBIA

JOSEPH H. CYR, New York Life, Vancouver.

ONTARIO

MELVIN J. DOLL, Mutual of Canada, Hamilton.
Mrs. V. M. TURNEY, Prudential of London, Eng., Oshawa.
Toronto:
PERCY G. GORDON, Great-West Life.
LLOYD G. JACKES, Manufacturers Life.
E. T. C. ORDE, Great-West Life.

QUEBEC

JOHN R. JOHNSON, Mutual of Canada, Eastman.
Or BEAUCHESNE, Industrial Life, Shawinigan Falls.
J. P. LABRECQUE, Excelsior Life, Sherbrooke.

NOVA SCOTIA

REX CARSON, Mutual of Canada, Halifax.
C. L. MURPHY, Mutual of Canada, Yarmouth.

OUTSIDE OF CANADA

R. C. STAGER, National Life Ins. Co. of Vermont, Montpelier, Vt.

BANK OF CANADA

	Aug. 24 1949 $	Aug. 17 1949 $
Liabilities		
Capital paid up	5,000,000	5,000,000
Rest. fund	10,050,367	10,050,367
Notes in circ.	1,264,452,036	1,269,164,114
Deposits: Dom.	134,222,455	146,577,338
Chart. banks	574,759,263	548,531,259
Other	61,048,867	67,479,800
Total deposits	770,030,585	762,588,397
Liabs. payable in sterling U. S. A. and foreign gold currencies:		
(a) to gov. of Can.	65,687,794	72,342,399
(b) to other	22,527	22,526
Total	65,710,321	72,364,925
All other liab.	18,967,026	18,440,273
Total liabs.	2,134,210,335	2,137,608,076
Assets		
Sterling & for'n	60,710,321	67,364,925
Other curr.	40,101	34,018
Total	60,750,422	67,398,943
Subsid. coin	275,467	232,612
Investments:		
Govt. sh. term	1,556,398,414	1,508,796,490
Other gov. sec.	451,381,552	505,712,309
Other secs.	5,000,000	5,000,000
Total invest.	2,012,779,966	2,019,508,799
Total share cap. at cost	25,000,000	25,000,000
Premises	3,442,119	3,294,084
All other assets	31,962,331	22,173,638
Total assets	2,134,210,335	2,137,608,076

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118 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Winter Power Picture Brighter Little Danger of Shortage Seen

What's the electric power outlook for this fall and winter? Is there likely to be a repetition of last year's shortages which disrupted industry all over southern Ontario, hit some areas in Quebec and British Columbia?

The answers, The Post found this week, added up to a generally better situation than last year's.

New plants or additions to old installations will be brought into operation in most of the "growth areas" to cope with anticipated extra demand.

In Ontario, temporary steam and Diesel units are available and barring another fall drought in the watershed regions the province should get by without cut-offs, although some restrictions can be expected. In Alberta, good fall rains are needed to fill reservoirs.

Here's the situation, province by province, as gathered by Post staff writers and correspondents from power officials:

ONTARIO — While water-storage conditions encourage the prediction that, given average precipitation between now and freezeup, Ontario will escape the cut-offs of last winter, it doesn't follow that the province is going to escape all restrictions. Banning use of outdoor electric signs, controlling store illumination, etc. again appear in prospect. Storage and flow conditions in the northern and eastern regions where Ontario's Hydro Commission generates its power are "generally satisfactory."

But of far greater importance is the amount of rain which falls during September, October and November. For it was through last autumn's exceptional dryness that the cut-offs came and if Ontario gets two in a row like that, even the cautious optimism prevailing at Hydro headquarters will evaporate. Given anything like normal rains, however, there'll be no blackouts says Commission Chairman Robert H. Saunders.

No more permanent installations will come into use in time to cope with the 1949-50 winter load, but an emergency "cushion" will be provided through the generation of an additional 70,000 KW in temporary steam and Diesel "packaged units." In southern Ontario, these will reinforce resources by 61,000 KW, in steam plants at Toronto, Thorold, Hamilton and Chatham (combined cost: $7.3 millions) in addition to 23,000 KW now being supplied by Polymer Corp. in Sarnia.

Originally, it was thought that these packaged units, which will begin to come into operation in mid-October with additional units added until January, would do no more than cope with anticipated increased load; that the Commission would, through projected growth, have to cope with a 1949-50 load which would be greater by some 80,000 KW. The predicted increase hasn't materialized. By the time 1949's consumption is added up, it may be no greater than 1948's.

This is in spite of the fact that domestic consumption has been rising at the predicted steady rate as home construction adds customers and as new appliances are put into use.

It is also in spite of an even greater rate of increase in rural consumption, with 2,900 more miles of line bringing in more than 26,300 new rural customers by August 1. The entire year's objective is to add 5,300 miles and 42,820 customers.

What's been happening to the industrial load? Consumption by direct customers "held up" well during the early months of the year, then began to fall behind 1948 levels during July and early August.

At mid-August, industrial load was already resuming a closer parallel to 1948, but the summer dip was nevertheless sufficient to make officials trim their earlier estimate of 80,000 KW additional load by the end of 1949.

Meanwhile, H.E.P.C.'s major construction jobs are reported "on schedule," marking 1949-50 as the last possible "emergency winter," at least as far as present trend can be projected.

July, of 1950 will bring in the first power from the Des Joachims development on the Ottawa River. Four units of that development, generating 179,000 KW (240,000 hp) are to go into operation by 1950. The remaining four units are scheduled for 1951.

The 60,000 KW (80,000 hp) development at Pine Portage on the Nipigon River is scheduled for completion in December of 1950. The Tunnel generating station on the Mississagi River (42,000 KW or 56,500 hp) is due to be completed next year.

Later hydro developments are Chenaux on the Ottawa River (119,000 KW or 160,000 hp) first six units to go into operation in 1951, the remaining two units in 1952; and La Cave, also on the Ottawa River (153,000 KW or 204,000 hp) to be completed in 1952, six generating units initially with provision for two additional units.

At the same time, two major steam plants are to go up in Southern Ontario to afford protection against seasonal water factors. One is at Windsor (120,000 KW in two units of 60,000 each); the other at Toronto, (160,000 KW in two units of 80,000 each). Both are to go into operation in 1951.

QUEBEC—Prospects generally look good—subject to vagaries of the weather. Shawinigan Water & Power says everything normal, no shortage anticipated. Saguenay Power reports water supply above average, conditions look "propitious." Southern Canada, which purchases about half its power requirements, reports increased transformer capacity this year will enable company to maintain its power deliveries despite an increase in peak load.

New plants are 195,000 hp development by Shawinigan Water and Power at Shawinigan Falls, Que. (first 65,000 hp unit started up in November, 1948, other two 65,000 hp units in January and March); Quebec Hydro completed 14th unit of 53,000 hp at its No. 1 Beauharnois plant on the St. Lawrence River about the turn of the year, has since added a 16,000 hp unit to its Rapide VII plant on the upper Ottawa River. Gatineau Power expects to have additional 27,000 hp unit in its Bryson plant on the Ottawa River in operation by late fall. Northern Quebec Power expects to have additional 10,000 hp-12,000 hp available shortly through raising the head at its Quinze River development.

Conservation of available water will be improved when new transmission line is completed in fall between Chambly and St. Cesaire. This will link Quebec Hydro's Beauharnois plant with Shawinigan's St. Maurice system. This link will enable Shawinigan to store water in its own system, make use of more Beauharnois-generated power in off-peak periods. Southern Canada Power, which purchases power from Shawinigan, will also benefit as Shawinigan will be able to deliver the power either from its St. Maurice system or, when available, from Beauharnois.

NEW BRUNSWICK—No likelihood of shortage, although consumption is running at 6% ahead of last year's 147 million kwh. Moisture and stream conditions are considered good, better than last year. No new hydro or steam plants in use since last winter but three Diesel standby plants available. Tenders called for substructure of new steam station. New hydro plant to provide additional 32,000 hp.

NOVA SCOTIA — No serious shortage anticipated. Industrial demand strong but new installations progressing on schedule. Canada Electric expects 15,000 kva unit at Maccan in operation in October. N.S. Power Commission expects 12,000 hp hydro at Mercey River in operation January or February.

PRINCE EDWARD ISLAND — There will be no shortage this year due to 1948 installations. Last year's output at plant by Maritime Electric, which produces nearly 100% of total here, was 18.7 million kwh. This year it is running at the rate of 20 million. Actual consumption about 15% less due to line loss, etc. No new installations this year, but a 7,500 KW steam generator is slated for Charlottetown in 1950.

NEWFOUNDLAND—No shortage likely this year although Newfoundland Light & Power Co. has no reserves and present facilities are loaded to the last unit. Developments are being pushed, however, which should bring into operation an additional 22,000 hp during the 1950-51 winter season. These plants are expected to take care of growth in industrial, domestic and commercial needs.

Largest of these developments is taking place at Mobile Bay (12,500 hp); others are at Mobile Big Pond and Tors Cove.

MANITOBA — No prospects of power shortage this coming winter. Total output of Winnipeg River developments up to July 31, 1949, was 1,258,043,360 kwh an increase over last year of 2.45%. Up to June 30 increase in industrial consumption was 2%.

No new units installed since last winter. Completion of tailrace excavation at Seven Sisters plant of Winnipeg Electric Co. last fall increased capacity of plant's three units from 20,000 hp each to 32,000 hp each or a total gain of 36,000 hp for the three units. In addition dykes are now being raised so as to bring the capacity of each of these three units from up to 37,500 hp each. Some portion of this extra power will be available for the coming winter season.

Except in a very minor degree and applicable only to Winnipeg Electric Co. in July, the stream flow has been fully adequate to meet the demand. Engineers say future prospects regarding stream flow appear satisfactory.

A conference between Manitoba and Ontario hydro officials is planned for the fall to discuss possibility of developments being undertaken jointly by the provinces where suitable waterways form the interprovincial boundary.

SASKATCHEWAN — Unlike other Prairie provinces Saskatchewan is served entirely by steam and Diesel plants.

Consumption this year is 11.5% over 1948 but this increase is absorbed by new power additions to Saskatchewan Power Commission system.

Major installations include a new steam turbine of 5,000 KW capacity at Estevan, new 7,500 KW steam turbine at Prince Albert, a 1,600 hp Diesel unit at Watrous and a 1,600 hp unit at Yorkton. Where new units are installed, old equipment is moved elsewhere to improve the system.

ALBERTA — With greatly increased postwar industrialization, Alberta this year is faced with its most critical year in regard to power. There's no actual shortage yet, but whether there will be depends largely on when Edmonton gets its 30,000 hp steamplant addition into operation.

In 1945 Alberta used 566,241,000 kwh. By 1948 this figure had jumped 762,116,000 kwh and demand is still increasing.

While the load has thus been rising sharply capacity has not increased accordingly. Installed capacity in 1945 was about 174,000 KW, and about 183,000 KW in 1948.

There have been no new hydro installations since last winter. A 10,000 hp steam unit has been installed at Vermilion and a small addition has been made at Drumheller. By another year it is hoped to get some power from the Spray River development, which when completed will provide about 90,000 hp.

Water conditions so far have not been good for hydro and good fall rains are necessary to fill reservoirs before winter.

BRITISH COLUMBIA — B.C. Electric, major source of power in B.C., say there is no danger of power shortage here such as came at beginning of February when unprecedented freezeup hit the lower mainland.

Two new 62,000 hp units have been cut in at Bridge River during the past year; a third is due to turn in November, and there is an abundance of water. A 47,000 hp unit at Rusking, near Vancouver, is scheduled for late 1950.

Consumption in both household and industrial use this summer has been about 7% over the corresponding 1948 period.

COMPANY REPORTS

SILVERWOOD WESTERN DAIRIES LTD. net profit for the year ended March 31, 1949, was off sharply $95,487 ($250,378). The decline followed introduction of margarine at a time when heavy butter inventories were being carried. Operating expenses were relatively higher, particularly with respect to cost of living bonuses paid to employees.

Sales amounted to $8,016,872, compared with $7,323,829 the previous year. Capital expenditures to equip the plants to efficiently handle the constantly increasing business are now almost completed.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Sales	$8,016,872	$7,323,829
Net earnings	345,867	611,780
Less: Deprec.	136,637	132,402
Bond int.	38,400	40,200
Bank int.	20,343	
Inc. taxes	55,000	188,800
Net profit	95,487	250,378
Earnings per Share and Dividend Record:		
5% pref.: Earned	$8.13	$35.76
Paid	5.00	5.00

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1949	1948
Cash & govt. bonds	$304,146	$507,340
Accts., etc., rec.	373,368	312,347
Inventories	485,880	543,546
Life ins. c.s.v.	1,898	17,934
Inv. in assoc. co.	1,380	21,210
Total curr. assets	1,166,672	1,402,377
Prepaid exp.♦	15,022	32,094
Inv. in assoc. co.	36,080	47,770
Misc. assets†	56,601	82,851
Fixed assets‡	2,056,807	1,678,633
Goodwill	141,124	141,124
Total assets	3,472,306	3,384,849
Bank overdraft	64,620	94,977
Accts., etc., pay.	334,918	448,328
Taxes	24,025	117,175
Bonds due	60,000	60,000
Total curr. liabs.	483,615	720,480
Funded debt	1,020,000	1,080,000
Reserve	......	14,386
Capital stock	1,445,870	971,169
Capital surplus	64,613	64,613
Earned surplus	458,208	534,201
†Incl. ref. EPT	52,100	78,500
‡After deprec.	1,367,315	1,250,796
♦Incl. in curr. assets in co's report.		
Working capital	683,057	681,897

TRANSVISION - TELEVISION (CANADA) LTD. reports a net loss of $53,565 for Cub Aircraft Corp. for the year ended Oct. 31, 1948, as compared with a loss of $34,080 for the previous year. Cub Aircraft has merged its operations since Feb. 21, 1949, with a subsidiary company, General Radionics Ltd. and now carries on under the name of Transvision - Television (Canada) Ltd.

Since the merger, management has been consolidating all manufacturing operations into the one factory at Hamilton. The re-organization has been almost completed and as a result the company is now in a position to operate on a more economical basis.

Company products, notably car radios known under the trade name of Auto-Rola and G. R., are holding their place in the present competitive field, it is said. Assembly of domestic television receivers has commenced and dealers have commented favorably on quality, President F. J. Seidel states.

INCOME ACCOUNT

Years Ended Oct. 31:	1948	1947
Operating loss	$51,137	$31,683
Add: Deprec.	2,428	2,397
Net loss & deficit	53,565	34,080
Earnings per Share and Dividend Record:		
Common: Earned	d$0.21	d$0.16
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1948	1947
Cash	$1,033	$3,222
Accts. rec., etc.	24,294	34,123
Inventories	100,736	114,583
Total curr. assets	126,063	151,928
Misc. assets	10,698	10,791
Fixed assets*	20,071	22,174
Mfg. & sell. rts.	50,000	50,000
Total assets	206,832	234,893
Total curr. liab.	34,671	31,238
Capital stock	302,113	279,163
Capital surplus	33,750	33,750
Less: Deficit	163,702	109,258
*After depr. of	83,645	81,342
Working capital	91,392	120,690

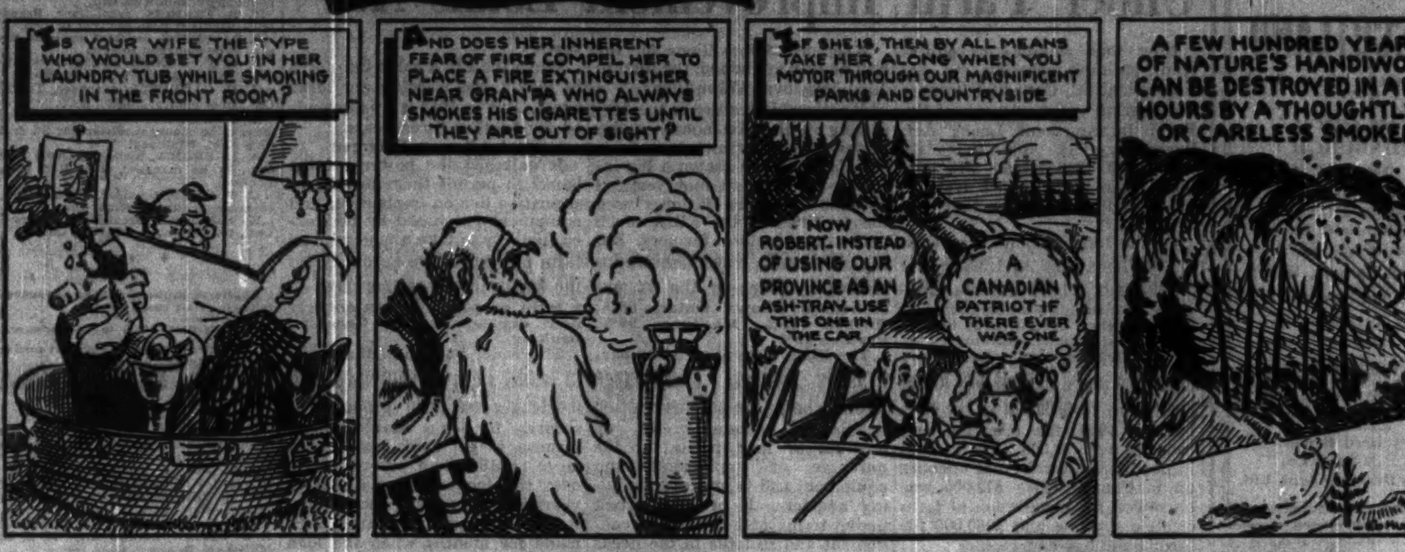
CONSULTANT & BUSINESS REPRESENTATIVE
all DOMINION GOVERNMENT departments
Specialized guidance and advice. Formerly with Reconstruction and National Revenue depts. at Ottawa.
79 Queen St. E., Toronto. PL. 2040.
P. J. WARDLE

COMPLETE ENVELOPE & PACKAGING SERVICE
Largest manufacturer in Canada of ENVELOPES and PRINTED PAPER PACKAGES
• ENVELOPES Both REGULAR and SIDE SEAM styles and DOMINION'S PATENTED SIDE SEAM ENVELOPES are the one real ECONOMY envelope on the market today
• CELLOPHANE PRODUCTS
• NOTION and SPECIALTY BAGS
DOMINION ENVELOPE CO. LTD.
TORONTO • MONTREAL • WINNIPEG
REPRESENTATIVES FROM COAST TO COAST

DAVIS FLOAT CONTROLS
Include those for boilers, refrigeration and process applications. They may be packed or packless.
Davis AUTOMATIC CONTROLS Limited
TORONTO MONTREAL

GREB AND VALENTINE have made Men's & Boys' Quality LEATHER FOOTWEAR for Over 40 YEARS
GREB SHOE COMPANY LTD.
VALENTINE & MARTIN LTD.
Kitchener, Ont.

CARLING'S CONSERVATION CORNER


IS YOUR WIFE THE TYPE WHO WOULD SET YOU IN HER LAUNDRY TUB WHILE SMOKING IN THE FRONT ROOM?
AND DOES HER INHERENT FEAR OF FIRE COMPEL HER TO PLACE A FIRE EXTINGUISHER NEAR GRAN'PA WHO ALWAYS SMOKES HIS CIGARETTES UNTIL THEY ARE OUT OF SIGHT?
IF SHE IS, THEN BY ALL MEANS TAKE HER ALONG WHEN YOU MOTOR THROUGH OUR MAGNIFICENT PARKS AND COUNTRYSIDE
NOW ROBERT, INSTEAD OF USING OUR PROVINCE AS AN ASH-TRAY, USE THIS ONE IN THE CAR
A CANADIAN PATRIOT IF THERE EVER WAS ONE
A FEW HUNDRED YEARS OF NATURE'S HANDIWORK CAN BE DESTROYED IN A FEW HOURS BY A THOUGHTLESS OR CARELESS SMOKER

Forest fires cost Canadians over $4,000,000 a year in timber alone—and most of them are started through human carelessness. Trees are among the most valuable assets we have—let's not destroy them needlessly.

"Nature Unspoiled" — YOURS TO ENJOY — YOURS TO PROTECT

CARLING'S
THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO

CANADA NEEDS HEALTHY RAILWAYS TO SERVE HER PEOPLE

41 MILLION — a lot of passengers

On good days and bad, for business or pleasure, some 41,000,000 passengers stepped aboard Canadian trains last year.

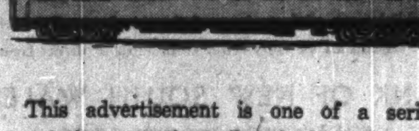
They travelled the fantastic total of almost *four billion* miles. That's over 300 miles each for every man, woman and child in Canada.

The gigantic task of carrying this multitude of commuters, vacationists, business people, requires an army of train crews, trackmen, dispatchers, locomotive engineers . . . and miles of coaches, dining cars, engines . . . and mountains of coal, forests of ties and telegraph poles . . . and 42,000 miles of track . . . altogether a capital investment of well over three billion dollars.

Every Canadian depends on railroads —not only for travel but also, as freight carriers, to bring him almost everything he eats, wears, dwells in, uses . . . *It amounts to 12 tons a year for every citizen.*

The Railways EMPLOY a lot of people, too

They paid $544,000,000 in wages and salaries to over 190,000 Canadians last year. But that's just the beginning of what the railways mean to employment in Canada. Lumbermen, factory workers, miners, farmers—men in a hundred occupations—are busy producing things the railways buy. Last year their purchases added up to more than $400,000,000.



This advertisement is one of a series pointing out the railway's key place in Canada's economy. As Canada's largest builders of railway rolling stock and equipment, this company and its employees are directly concerned with the railway industry. Canadian Car & Foundry, operating eight modern plants, turns out thousands of railway cars of every type. The company is fully equipped to supply Canada's railways with the latest type passenger and freight cars to meet the growing needs of our expanding economy.

CANADIAN CAR & FOUNDRY COMPANY LIMITED
MONTREAL • FORT WILLIAM • BRANTFORD • AMHERST

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

SATURDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1949.

By order of the Board.

J. W. ROSE, Jr.,
Secretary.

TORONTO, August 17th, 1949.

Mersey Paper Company Limited

DIVIDEND NO. 7
PREFERENCE SHARES

Notice is hereby given that a regular quarterly dividend of $1.125 per share on the Preference Shares of the Company has been declared payable October 1st, 1949 to shareholders of record at the close of business on September 10th, 1949.

Mersey Paper Company Limited

DIVIDEND NO. 4
COMMON SHARES

Notice is also hereby given that a dividend of Fifty Cents (50c.) per share on the Common Shares of the Company has been declared payable October 1st, 1949 to shareholders of record at the close of business on September 10th, 1949.

By Order of the Board.

J. A. PARKER,
Secretary.

Liverpool, Nova Scotia,
August 23rd, 1949.

SILVERWOOD WESTERN DAIRIES LIMITED

PREFERRED DIVIDEND NO. 18

Notice is hereby given that the regular quarterly dividend of one dollar and twenty-five cents ($1.25) per share has been declared on the Preferred Shares of the Company, payable October 1st, 1949, to shareholders of record as at the close of business September 7th, 1949.

By Order of the Board.

L. R. GRAY,
Secretary.

London, Ontario.
August 26th, 1949.

Canadian Silk Products Corporation

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Thirty-seven and One-half Cents (37½c) per Share has been declared on the Class "A" Common Stock outstanding of the Company, payable October 1st, 1949, to all Shareholders of record as at September 1st, 1949, for the quarter period ending September 30th, 1949.

By Order of the Board.

G. G. COOKE,
Secretary.

R. L. CRAIN LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending September 30, 1949, payable on and after the first day of October, 1949, to holders of record at the close of business on the 15th day of September, 1949.

By Order of the Board.

HENRY R. NURRISH,
Secretary-Treasurer.

Dated at Ottawa this
19th day of August, 1949.

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1949.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1949.

The above Dividends will be paid on Saturday, the 15th day of October, 1949, to Shareholders of record at the close of business Tuesday, the 27th day of September, 1949.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 24th August, 1949.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable September 15th, 1949, to shareholders of record at close of business September 6th, 1949.

(Signed) W. S. BARBER,
Secretary-Treasurer.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 1¼% for the current quarter ending September 30th, 1949, has been declared on the paid up capital stock of the Corporation and will be payable on October 1st, 1949, to shareholders of record at the close of business on September 15th, 1949.

By Order of the Board,

E. R. MEREDITH,
Secretary.

DIVIDEND NOTICES

NOTICE OF DIVIDEND

JOHN LABATT LIMITED

Notice is hereby given that Dividend No. 19 of twenty-five cents per share has been declared on the outstanding no par value common stock of the Company, payable on the First day of October, 1949, to shareholders of record the Fifteenth day of September, 1949.

By Order of the Board.

JOHN S. LABATT,
President.

London, Ontario, August 29, 1949.

H. R. MacMillan Export Company Limited

NOTICE IS HEREBY GIVEN that a dividend of .12½ cents per share on the Class "A" shares of the Company has been declared for the quarter ending September 30th, 1949, payable September 30th, 1949, to shareholders of record at the close of business on September 9th, 1949.

NOTICE IS HEREBY ALSO GIVEN that a dividend of .12½ cents per share, plus an extra dividend of .10 cents per share on the class "B" shares of the Company has been declared for the quarter ending September 30th, 1949, payable September 30th, 1949, to shareholders of record at the close of business on September 9th, 1949.

The Transfer Books will not be closed.

Dated at Vancouver, B.C., this 23rd day of August, 1949.

By Order of the Board.

G. D. ECCOTT,
Secretary.

Sicks

SICKS' BREWERIES LIMITED

Dividend Notice

To the Shareholders,
Sicks' Breweries Limited.

NOTICE is hereby given that a Common Dividend (No. 81) of Twenty-Five Cents (25c) per share on the No Par Value Common Shares of the Company issued and outstanding has been declared today payable on the 30th day of September, 1949, to Shareholders of record at the close of business on the 30th day of August, 1949.

By Order of the Board.

I. N. WILSON,
Comptroller.

CALGARY, Alberta,
August 23rd, 1949.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A quarterly dividend of fifty cents on each share of $25.00 par value has been declared payable on the 15th day of October, 1949 to shareholders of record at the close of business on the 15th day of September, 1949.

Montreal,
Aug. 24, 1949

S. G. SCADDING,
Secretary

Industrial Acceptance Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending September 30th, 1949:

5% Preferred Stock

One dollar and twenty-five cents ($1.25) per share on the $100.00 Par Value 5% Preferred Shares (being at the rate of $5.00 per share per annum),

4¼% Preferred Stock

One dollar and six and one-quarter cents ($1.06¼) per share on the $100.00 Par Value 4¼% Preferred Shares (being at the rate of $4.25 per share per annum),

5% Convertible Preferred Stock

Fifteen and three-quarter cents (15¾c) per share on the $25.00 Par Value 5% Convertible Preferred Shares for period August 15th, to September 30th.

Common Stock

Thirty-seven and one-half cents (37½c) per share on the No Par Value Common Shares,

payable in each case on September 30th, 1949, to Shareholders of record at the close of business on 1st September, 1949.

By Order of the Board.

L. E. CUTHBERTSON,
Secretary-Treasurer.

Montreal, P.Q.,
August 25, 1949.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE
COMMON STOCK

NOTICE is hereby given that FRASER COMPANIES, LIMITED, has declared a dividend of 30c per share on the Common Stock of the Company for the quarter ending September 30th, 1949, payable October 24th, 1949, to Shareholders of record September 30th, 1949.

By Order of the Board.

G. G. GILLIES,
Secretary.

Edmundston, N.B.,
August 26, 1949.

FRASER COMPANIES, LIMITED

DIVIDEND NOTICE
PREFERRED STOCK

NOTICE is hereby given that FRASER COMPANIES, LIMITED, has declared a dividend of $1.18 per share on the 4¾% Cumulative Redeemable Sinking Fund Preferred Shares of the Company for the quarter ending September 30th, 1949, payable October 1st, 1949, to Shareholders of record September 10th, 1949.

By Order of the Board.

G. G. GILLIES,
Secretary.

Edmundston, N.B.,
August 26th, 1949.

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Water Bonds, Fruit Boom, Customs Union: Greater Vancouver Water Board authorized a Sept. 12 bid call offering $1.5 millions in 25-year 3 and 3½% debentures to finance watermain extensions, squirmed when told by Chief Commissioner E. A. Cleveland a $7 millions reservoir on Capilano River should be built soon . . . A big water user, French-born Albert Gaspard, whetted his knife for first killing this fall in his backyard menagerie of 2,000 jumbo-size frogs, whose legs he expects to introduce to B. C. palates at $1.75 a pound via hotels and clubs . . . Okanagan Valley happily counted 1,874 cars of fruit shipped out in 7½ months to mid-August, 700 more than in the 1948 period . . . At Smithers, Central B. C. Associated Boards of Trade boldly addressed a resolution to Ottawa and Washington asking free trade and integration of B. C., the U. S. and Alaska into "one vast regional economic unit."

• • •

Alberta

Milk Gap, Student Crowd, Coal Comeback: Province's Board of Public Utilities Commissioners, when it reconvenes Sept. 7 will decide whether Edmonton's six month trial run of Sundayless milk delivery stays or goes out the window. Consumers and civic health officers want Sunday delivery; milkmen and dairies don't . . . Of 295 student applications for the course in agriculture and 112 in economics, Vermilion Olds Schools of Agriculture will refuse registration to 25 for lack of room . . . Alberta coal mines are pushing toward ultimate five-day-week production, with many operating three or four days a week against two days early this year. Output in six months is up 600,000 tons from the 1948 period.

Construction Week at Banff next week-end, Canadian Construction Association in Western region conference will look at (a) signs of a slip in over-all construction costs, and (b) coming Dominion-provincial housing aid legislation. Proposed federal grants for provincial building on the Trans-Canada Highway route are to get attention of both the CCA and the Canadian Good Roads Association, which holds its annual convention at Lake Louise starting Sept. 12.

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Saskatchewan

Rumor Denied, Plans Ordered, Newspaper Linked: "Absolutely no foundation for this rumor," said Saskatchewan Industries Chairman W. S. Lloyd after a two-month barrage of inquiries from "the public" to the provincial government woolen mill at Moose Jaw "under the mistaken impression a Manitoba textile firm has taken over operation." . . . Regina city council decided to spend $55,000 to $75,000 and $20,000 of it this year on surveys and plans to bring South Saskatchewan River water to Regina and Moose Jaw via Buffalo Pound Lake. Studies will be by a new "bureau" headed by Alan Shattuck, waterworks assistant superintendent . . . Publisher J. E. Slaight of the Moose Jaw Times-Herald announced association of his paper with the Thomson chain (which includes eight Ontario dailies) through sale of stock to Thomson.

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Manitoba

Election Now?—Dime Carfare? Manitoba's provincial government is expected to call an election for mid-October, either the 17th or 24th., depending on progress in harvesting and threshing, according to best-informed conjecture. Premier Douglas Campbell's government will seek return as a coalition . . . Manitoba's municipal and public utility board last week opened study of an application by Winnipeg Electric Co. for (a) okay of a straight 10-cent carfare, and (b) relief from city taxes which last year were about $380,000. WEC needs the money to implement recommendations of a board of conciliation for a 5% wage boost and pension plan for its tram workers, President W. H. Carter said.

Optical Probe, Flin Flon Link, Flower Fashions: Should Manitoba government set up a crown company to make eyeglasses? Are wearers paying $18 to $25 for an article that could be sold for $3? These questions from Winnipeg Liberal-Progressive Member William Scraba in a legislature resolution brought opening last week of hearings by a special legislature committee into manufacture and distribution of optical goods in the province . . . Flin Flon's 10,000 boosters gleefully heard that grading is scheduled for completion by freeze-up and bridge soon after for their first highway from the south . . . Winnipeg, as host to the Allied Florists & Growers of Canada convention, saw (a) lively models parade in Canada's first flower fashion show, and (b) Associated Screen News take news film shots of quick-fingered experts making up floral arrangements "in the new mode."

• • •

Ontario

"By" When, Grows Cotton: With a date yet to be set, a three-way battle looms for the Toronto-Greenwood Commons seat emptied by the death of Progressive-Conservative J. Ernest McMillin, J. M. Macdonnell, financial critic for the Opposition in the last session, may be PC standard-bearer. Liberals are plumping for young Perry Ryan who came within 96 votes of McMillin's winning count June 27. Harvey Hotrum is expected to stand again for the CCF . . . Ontario's "sunny South" may become another land of cotton if amateur farmer Cliff Lamb's experiment pans out. A retired Aylmer businessman, Lamb two months ago planted cotton between two rows of tobacco. Now the plants are nearly three feet high, and flowering.

Liquor Vendors, Fish Raid, Iron Sightseers: Decisions of the provincial Liquor License Board and an accompanying statement by Premier Leslie Frost indicated a holiday in issuing licenses until working of the system has been reviewed. For Toronto zone, the Board is still considering 12 applications. It granted 14; rejected 139. . . . Invasion of Lake Huron north shore fishing spots by parties of fishermen in cabin cruisers from Bruce peninsula was bitterly protested by the area's conservation associations in a meeting at Little Current, Manitoulin Island, with Dr. W. J. Harkness, director, fish and wild life division, provincial Land & Forests dept. . . . Sixty legislature members this week visit Steep Rock Iron Mines, near Atikokan. Steep Rock plans early start on an $8 million program of further construction and development to boost output from 1.2 million tons a year to 3 million tons.

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Quebec

Capital Booms, U. S. Shuts Airfield: Quebec city industrial development may send its population over the 200,000 mark before Christmas, says Municipal Archivist Valere Desjardins in a new report. The 340-year-old capital of French Canada has gained 25,000 since 1947, biggest jump it has ever known. Since 1931, industrial establishments are up 30%, commercial 37%. . . . Mingan, Que., emergency landing field will be shut down in Washington's defense economy drive. It's one of three small Canadian fields manned wholly by U. S. personnel. The others are at Fort Chimo, Que., near Ungava Bay, and at Frobisher Bay on Baffin Island.

2,400 Times No, 700 Bridges, Houde Feud: First year enrolment at a capacity 116 in McGill University's medicine faculty again looks big. But it's small against the number rejected for lack of room. About 2,400 candidates from all over the continent and beyond, a large proportion of whom qualified fully for admission, had to be told "no". . . . Provincial Public Works Dept., under direction of Hon. Romeo Lorrain, has built 700 bridges and repaired 3,500 in five years since September 1944. The minister said the department now employs 1,900 regular and 4,000 seasonal workers on roads, bridges, buildings and the fire protection system. . . . A long-promised action to contest the election of Montreal's Mayor Camillien Houde as Independent MP for Montreal-Papineau division was filed on behalf of two of the riding's voters. They are Léo Perrault, landlord, and J. M. O. Lachance, geological surveyer, who ask that the Liberal candidate, J. Adrien Meunier, lawyer, be named to the seat instead, or a new election be held.

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New Brunswick

Apple Pie Crop, Pennies from Parkers, Jaycee Tour: The province's 1949 apple crop will reach, and may exceed last year's 330,000 bushels. A. G. Turney, director of the Agriculture dept.'s horticulture service, said the quality appears exceptionally good and generally free from insects and fungus disease. Ample last-minute rainfall might push the yield to a record 350,000 bushels for marketing in the October-January period. Most of the fruit exported goes to Quebec. . . . Almost $18,000 in pennies and nickels flowed from parking meters into city coffers in 11 months from Sept. 1 to July 31. Once paid for, the meters will provide an annual revenue of about $22,500, city officials have estimated. . . . Saint John and Lancaster Junior Chambers of Commerce will be joint hosts Tuesday at a dinner for John G. Sheppard, London, Ont., national president of the Junior Chamber. The 29-year-old businessman is beginning a country-wide tour.

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Nova Scotia

Maritime BBB, Swordfish Dollars, U. K. Apple Order: Claude Root, of Montreal president of the Association of Canadian Better Business Bureaus, was guest in Amherst at the inaugural meeting of the Maritime Better Business Bureau. He said there are now 115 BBB's in Canada, the U. S. and Honolulu. Membership in the Maritime body is put at about 1,000. . . . Swordfishing is a flourishing short-term business for Nova Scotians, with United States as in years past taking every fish landed. The sharp-nosed broadbills there are considered a tasty delicacy. The annual mass migration of swordfish northward along the east coast reaches Cape Breton Island in July for rendezvous until turnabout in September. . . . When Canadian apples go on sale in British market stalls soon for the first time in three years, most will be from Annapolis orchards. An Anglo-Canadian contract was being signed this week for $1.5 millions of the N. S. and B. C. fruit, with by far the biggest part of the purchases expected from Nova Scotia.

• • •

Prince Edward Is.

Westward Hay, Dial Phones, Soggy Celebration: Shortage of hay in Ontario and Quebec has assured a good market for the whole Island output, said a visiting Quebec buyer. Premier Jones is trying to arrange for some large power presses, not used here, to harvest P.E.I.'s particularly luxuriant 1949 crop. . . . Summerside soon will use the province's first dial telephone equipment. Island Telephone Co. has started installing equipment from England in a new building put up for the purpose, with twice as many toll boards as before and an auxiliary power plant. . . . Charlottetown's old home week celebrations came to a sudden end as torrential rains flooded the city after the third day. This was said to be the first year in many that the Driving Park and Exhibition Association didn't carry rain insurance. Just before the deluge, attendance records were broken when over 17,000, equal to the city's total population, went to the races.

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Newfoundland

Busline Dicker, Rehearing for Smallwood?: St. John's city council apparently moved toward possible revocation of its busline franchise agreement with Golden Arrow Bus Co. It was said possible the city might negotiate with other companies. Under the contract, Golden Arrow was to import new buses on completion of Water Street paving. The pavement is down but the company is reported to have said it can't fulfill the new vehicle clause until settlement of a current wage dispute. Question was whether this constitutes breaking of the contract. . . . A new twist in the vote intimidation case against Premier Joseph Smallwood was announced in St. John's by Magistrate Hugh O'Neill. The magistrate, who ruled some weeks ago that the case go before a preliminary hearing of the Supreme Court, said a Supreme Court judge first will examine the facts to decide on procedure and that it's possible that judge might send the case back to be heard by Magistrate O'Neill instead of endorsing the preliminary hearing procedure.

DIVIDEND NOTICES

CANADA DRY

DIVIDEND NOTICE

The Board of Directors of Canada Dry Ginger Ale, Incorporated, at a meeting thereof held on August 23, 1949 declared the regular quarterly dividend of $1.0625 per share on the $4.25 Cumulative Preferred Stock and a dividend of $0.15 per share on the Common Stock; both payable October 1, 1949 to stockholders of record at the close of business on September 15, 1949. Transfer books will not be closed. Checks will be mailed.

WM. J. WILLIAMS,
V. Pres. & Secretary

CATELLI FOOD PRODUCTS, Ltd. — PRODUITS ALIMENTAIRES CATELLI, Ltée

Notice of closing of register of transfers for Preferred Shares.

NOTICE IS HEREBY GIVEN that the register of transfers for the Five Par Cent (5%) Cumulative Preferred Shares of the capital stock of Catelli Food Products, Ltd.—Produits Alimentaires Catelli, Ltée—will be closed from and after the close of business on the 31st day of August, 1949, until after the close of business on the 30th day of September, 1949.

Dated at Montreal, this 30th day of August, 1949.

By Order of the Board of Directors.

ROMEO DESJARDINS,
Secretary-Treasurer.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1¼% on the Preferred Shares and a dividend of 15c on the Common Shares have been declared, payable October 1st, 1949, to Shareholders of record at the close of business September 15th, 1949. Cheques will be mailed in payment. Transfer books will not close.

By Order of the Board,

JOHN G. PORTEOUS, K.C.,
Secretary.

Montreal, August 26th, 1949.

ROBINSON, LITTLE & COMPANY, LIMITED

WINNIPEG, MANITOBA
Dividend on Common Stock

NOTICE IS HEREBY GIVEN that a quarterly dividend of Twenty Cents (20c) per share has been declared on the Common Stock of the Company, payable on the 30th day of September, 1949, to shareholders of record at the close of business on the 15th day of September, 1949.

By Order of the Board.

HERBERT J. SADLER,
Secretary.

Dated at Winnipeg, Manitoba,
August 31st, 1949.

OIL PRODUCTION

Alta. Tar Sand Plant Now Operates Up to 700 Bbl.

From Our Own Correspondent

EDMONTON—By 1950 the cost of separating oil from tar sands should be known, according to W. E. Adkins, superintendent of the Alberta Government oil sands plant at Bitumont, 360 miles north of Edmonton.

Adkins disclosed this information during a tour of 41 M.L.A.'s, including three Cabinet ministers, to the plant and to the salt wells at Waterways, 55 miles south.

The plant is running at a capacity of 250 bbl. of oil daily, has reached a peak capacity of 700 bbl. daily. Oil can be separated from the extremely extensive sands, but the problem is to do it commercially.

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Small Man Gets Break

Sale of four Redwater oil leases in the most recent government auction with an overriding royalty of 15% rather than the normal 12½% was an experiment to give small, independent oil operators "an even break" in obtaining petroleum and natural gas rights.

Minister of Mines Tanner explained: "With the higher royalty on production, small operators had the opportunity of obtaining rights without having to make an unusually large cash payment. In this way, operators aren't being penalized for not having a tremendous bankroll."

Sale of rights in this manner did not indicate a government change of policy, he said. "This is just an experiment. We want to see how it works out before contemplating any change."

Calvan, Alberta Giant and British American obtained rights to the Redwater properties by the larger than usual royalty payments. B. A. purchased its $902,800 rights to oil on a quarter section on the usual 12½% basis.

Mr. Tanner stated no more auctions are planned for the immediate future. He added that by "immediate," he did not mean the auctions are off for six months. Recently auctions have been each month.

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Record Drill Footage

From Our Own Correspondent

CALGARY—A total of 89 well completions in June set a new record for the Alberta oil industry. Previous high was in April when 63 wells were completed.

The June, 1949 figure of 89 wells was more than double the 32 completions of June, 1948, gives an indication of the high rate of drilling this year.

Footage drilled in June at 299,080 ft. was below May's 307,808 ft. of hole but was more than 100,000 ft. in excess of the 180,195 ft. of June, 1948.

Footage in the first half of 1949 at 1,476,162 ft.—close to 300 miles of hole—was more than double the 644,370 ft. of the first half of 1948.

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Boost Gas Supply

Northwestern Utilities has completed its 1949 drilling program in the Viking-Kinsella gas field, about 70 miles southeast of Edmonton. The five wells drilled this year to augment the natural gas supply for its Central Alberta market were on the northeast and easterly portions of the huge 300,000-acre gas field.

The Viking-Kinsella field has now a total of 66 gas wells of which 52 are linked into the pipeline system serving Edmonton, Red Deer and other Central Alberta communities. Northwestern owns 48 of the wells, has 46 connected to pipeline. Imperial Oil owns 15 wells and has three connected. The other Imperial wells are widely scattered beyond the area now linked by the pipeline. Hudson's Bay Oil & Gas has one gas well connected with the pipeline, while Imperial Oil-Hudson's Bay team has two gas wells, both running into the pipeline.

Grain Prices

Winnipeg Grain Futures

Week to Aug. 29, 1949

Crop year from Aug. 1, 1949 High	Crop year from Aug. 1, 1949 Low		High for week	Low for week	Close Aug. 29
		Oats			
.75⅝	.72¼	Oct.	.73⅛	.72⅛	.73⅝
.73⅞	.69⅞	Dec.	.73⅜	.70⅛	.73⅛
.71⅛	.69⅝	May	.71⅛	.70⅛	.71⅛
		Barley			
1.29⅝	1.15¼	Oct.	1.28⅝	1.20⅛	1.26⅝
1.21⅝	1.10⅛	Dec.	1.21⅝	1.15⅛	1.20⅛
1.18⅛	1.09⅛	May	1.18⅛	1.12⅛	1.17⅛
		Rye			
1.42⅞	1.29⅝	Oct.	1.33⅝	1.29⅝	1.30⅝
1.42¾	1.30⅛	Dec.	1.35⅛	1.30⅛	1.32
1.45⅛	1.32⅛	May	1.39⅛	1.34⅛	1.35⅛
		Flax			
3.40½	3.33	Oct.	3.40½	3.33	3.40½
3.38	3.30	Dec.	3.38	3.30	3.37

Cash Quotations

	For Week Aug. 29 High	For Week Aug. 29 Low	Prev. Week High	Prev. Week Low
Oats				
2 C. W. ..	.75	.73	.74⅛	.73⅛
3 C. W. ..	.73⅝	.70⅛	.71⅛	.70⅛
Barley				
1 Feed ..	1.29⅝	1.26⅛	1.30⅛	1.20⅛
2 Feed ..	1.26	1.23⅛	1.26⅛	1.20⅛
Rye				
2 C. W. .	1.30⅛	1.29⅛	1.28⅝	1.27¼
Flax				
1 C. W. .	3.40½	3.40½	....	....

Flax Price Drop Indicates Heavy Government Losses

(Special Correspondence)

WINNIPEG — Trading in flax for October and December delivery opened last week on the Winnipeg market with prices ranging between $2.30 and $3.40 per bushel. Western farmers will have their choice between accepting open market prices available or delivering to the Canadian Wheat Board's voluntary pool on flax, from which they would get an initial price based on $2.50 bus.

This year's flax crop is small, approximately only 2 million bushels. Farmers cut their flax acreage to small proportions when the Government last spring withdrew its former guarantee of $4 per bushel. Under that guarantee, the Government had to accept nearly all the flax delivered by farmers during the last crop year, when the crop had been large. With practically no export outlets, some 10 million bushels of flax had to be carried over from last year. The Government for a while maintained its selling price at cost, or $4 per bushel, and recently was making offers on the basis of $3.80. On the basis of present quotations, the Government's loss on flax operations will be large.

Trading in oats and barley has tended to be dull. Eastern processors and merchants have been willing to make some commitments for October and December delivery, but there has been no urgency in the cash demand for these grains at the Lakehead. Dealers report that, for the moment, Eastern farmers are not showing much interest in buying feed grain, evidently intending to use up their home grown feeds before buying Western grain. Demand for Western oats and barley may probably be lessened by the fact that winter wheat in Ontario is much cheaper in the last year and farmers may feed that grain instead of selling it. Buyers are also somewhat hesitant as they consider the possibility of importing corn from the United States for feeding purposes.

The Wheat Board continues to make sales of oats and barley in the futures market of the Winnipeg Grain Exchange. While there is no present export demand for Canadian feed grains, prospects are considered reasonably good for some substantial sales of barley to American maltsters.

JAMES RICHARDSON & SONS
LIMITED
Grain Merchants
Shippers and
Exporters
HEAD OFFICE WINNIPEG MANITOBA
OFFICES THROUGHOUT CANADA

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

FEDERAL GRAIN LIMITED
AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
WINNIPEG - CALGARY
Country Elevators located in all Prairie Provinces, and Terminals at Fort William, Port Arthur and Vancouver.
Cereal and Forage Seed Plant at Winnipeg.
We invite your inquiries regarding feed and seed grain.

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity, 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

GRAIN MERCHANTS - MANUFACTURERS OF MASTER FEEDS
PROCESSERS OF SOY BEAN AND LINSEED OIL AND MEAL
Toronto Elevators
LIMITED
TORONTO
MONTREAL SARNIA WINNIPEG

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING AUGUST 26

* N.Y. funds. x Extra. ▾ Paid or payable in 1949. § Paid in 1947. † Paid in 1948. ‡ Capital Distribution

Mining Stocks

Oil Stocks

BUSINESS BAROMETER

	AUG.	JULY	JUNE	MAY	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	153.8	240.3	153.9	194.1
Dom. total rev.	....	204.8	191.0	301.4	213.0
MERCHANDISING					
xDept. store sales (3)	+1	+4	+6.3	+11	....
xCountry store sales (3)	....	....	−0.2	−0.2	....
xRetail store sales (3)	....	....	+7.0	+6.3	....
Wholesale sales index (1)	....	....	309.4	303.0	290.0
FINANCE					
Dividend payment index (1) (5)	212.7	213.3	213.1	215.4	201.9
Money supply (millions $)	....	....	4,187	4,155	4,030
NEWSPRINT CAPACITY					
xProduction ratio (7)	....	101.3	102.4	103.0	102.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	213.9	210.5	215.9
Cars (D.B.S.) (1)	....	....	156.0	154.9	166.1
COST OF LIVING					
D.B.S. (1)	....	162.1	160.5	159.5	154.3
EMPLOYMENT INDEX					
All industries (6)	....	....	194.4	189.1	192.3
Payrolls (June 1/41=100) (2)	....	....	209.0	207.3	195.4
MANUFACTURING					
Inventories (1947=100)	....	....	....	130.6	122.1
Employment (6)	....	....	204.9	203.3	203.6

	1949	1948	1949 Jan. 1 to date	1948	% Change
RAILWAYS—(000's omitted)					
xCarloadings (week Aug. 20)	79.2	80.2	2,392.3	2,472.6	−3.2
C.N.R. gross rev. (July)	41,405	41,801	278,179	270,383	+2.9
C.N.R. net rev. (July)	−306	−8,323	1,346	2,783	−41.4
xC.P.R. gross rev. (July)	29,251	29,817	204,487	190,647	+7.3
xC.P.R. net rev. (July)	1,701	1,765	4,690	1,602	+192.8
IRON AND STEEL PRODUCTION (000's omitted) (June)					
xPig iron production (tons)	194.3	183.8	1,135.1	1,031.7	+10.0
xSteel production (tons)	270.5	259.4	1,673.6	1,595.7	+5.0
CONSTRUCTION (000's omitted)					
Contracts awarded (July)	129,269	89,791	618,108	572,827	+7.9
Cement prod., bbls. (May)	1,327	1,100	6,218	5,253	+18.3
AGRICULTURE (000's omitted)					
Flour prod., bbls. (June)	1,666	1,910	9,469	11,157	−15.1
xFlour exp., bbls. (July)	785	661	5,615	7,196	−22.0
xWheat exp., bush. (July)	19,890	14,154	116,253	72,291	+60.8
Wheat exp., bush. (June)	21,782	11,194	96,363	58,127	+65.8
Cattle sales (July) (4)	138.5	124.3	845.4	835.7	+1.2
Hog sales (July)	242.1	254.8	2,201.2	3,091.2	−28.9
SEA FISHERIES (000,000's omitted)					
Catch, lb. (June)	118.6	122.0	469.4	545.7	−14.0
Landed value (June)	6.3	7.1	20.0	21.7	−7.8
NEWSPRINT (000's omitted)					
Production (July) (7)	421	424	3,027	2,863	+5.7
Exports tons (July) (7)	412	410	2,797	2,660	+5.3
MINING AND OILS (000's omitted)					
Coal prod. (tons) (July)	1,100	1,362	10,188	9,944	+2.5
Gold prod. (fine oz.) (May)	332	287	1,619	1,396	+16.0
xPetroleum prod. (bbl.) (May)	1,718	917	8,111	4,087	+98.5
ELECTRICAL POWER OUTPUT (000,000's omitted) (June)					
Total monthly kwh	4,018	3,718	22,524	23,462	−4.0
FOREIGN TRADE (millions of $)					
xImports (June)	256.3	233.0	1,409.4	1,270.2	+11.0
Exports (June)	253.1	233.5	1,424.6	1,400.1	+1.7
FINANCE (millions of $)					
Bank debits (June)	6,915	8,446	33,954	31,532	+7.8
Bond sales (July)	177.1	345.3	2,099.1	2,579.6	−18.6
xLife insurance sales (July)	103.5	93.8	736.4	704.5	+4.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (May) (000)	3,247	2,536	15,420	13,768	+20.0
Cigarette cons. (000,000) (June)	1,577	1,428	13,750	12,659	+8.6

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
xNew item for week.

Unlisted Mines, Oils

Approximate quotations, 3 p.m., Aug. 29, subject to confirmation and changes:

Stocks Not Traded This Week (Continued)

*On arrears. ‡Net after income tax. †Dividend deferred. xAfter stock split. ‡Plus payments on arrears. aParticipating div. *New stock.

Mining Stocks

▴Paid or payable in 1949. †Paid in 1948. ‡Paid in 1947. *N.Y. funds. xCapital distribution.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Aug. 29	133,500	1,291,000	59,150	25,764	820,000
Aug. 27	......	......	......	......	......
Aug. 26	156,900	822,000	72,761	54,785	820,000
Aug. 25	123,200	954,000	56,665	22,731	920,000
Aug. 24	122,000	847,000	56,075	27,257	890,000
Aug. 23	139,000	1,131,000	115,000	22,360	1,050,000

STOCKS NOT TRADED THIS WEEK

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities.

MUNICIPAL

Town of Little Current, Ont.—3¾%, 20-year debentures, $65,000, issued Aug. 22, 1949. Sold at $100.31, cost basis 3.71% to Midland Securities.

Municipality of Thurlow, Ont. — 3½% debentures, due Dec. 31, 1949-63, $65,000, issued Aug. 10, 1949. Sold at $101.89 to Gairdner & Co. Ltd.

City of Nelson, B.C.—3% debentures, due 1950-59, $130,000, issued Aug. 12, 1949. Sold at $99.50 to McMahon & Burns Ltd. and Bank of Montreal.

District of Coquitlam, B.C.—4% debentures, due Aug. 1, 1950-69, $238,000, issued Aug. 15, 1949. Sold at $100.787 to Wood, Gundy & Co. Ltd. and Bank of Nova Scotia.

Keremeos School District No. 16, B.C.—3% and 4% debentures, due Oct. 1, 1950-59-69, $168,700, issued Aug. 15, 1949. Sold at $100 to McMahon & Burns Ltd.

Village of Norwood, Ont.—3½% debentures, due Sept. 1, 1950-69, $100,000, issued Aug. 19, 1949. Sold at $100.77 to Midland Securities Ltd.

Township of Stamford, Ont.—3% and 3½% debentures, due Sept. 15, 1950-59-64, $160,000, issued Aug. 22, 1949. Sold at $100.23 to Anderson & Co. and Imperial Bank of Canada.

Somenos Drainage District, B.C. — 4% debentures, due Aug. 1, 1950-59, $10,000, issued Aug. 22, 1949. Sold at $96.50 to McMahon & Burns Ltd.

CORPORATE

Mi-Co Meter (Canada) Ltd.—4% secured notes, series A, due May 1, 1951, $250,000, dated May 1, 1949. Offered at $100 and accrued interest by F. J. Brennan & Co. Ltd.

Simpsons Ltd.—3¼% secured term notes, series A, due Dec. 15, 1956, $1,000,000, issued June 15, 1949. Sold privately.

Oeuvre et Fabrique Saint-Philippe, Que.—3% and 3½% first mortgage bonds, due July 2, 1950-64, $250,000, dated July 2, 1949. Sold at $100 and accrued interest to Credit Anglo-Francais Ltd.

Unlisted Stocks

(Compiled from quotations supplied by Kiely, Garland & Co., Kippen & Co. and Intercity Securities Corp.)

Aug. 29, 1949

	Bid	Ask.
Aliens Toronto units	42.00	....
Angle Can. Tele. A	9.25	10.25
Beach Foundry pfd.	96.90	....
Beauharnois L. H. & Pr.	18.00	20.00
Brinton Peterboro Carpet	86.00	....
British American Assur.	70.00	....
British Mtge. & Trust	185.00	195.00
B. C. Sugar	84.00	87.00
B. C. Telephone 4½% pfd.	102.00	....
Brockville Trust Co. $50 par	60.00	....
Canada Tea pfd.	90.00	96.00
Can. Fire Insur. $10 par	19.00	20.50
Can. Investors Corp.	7.75	8.75
Can. Motor Lamp	11.75	12.00
Can. West. Nat. Gas com.	61.00	....
Do. pfd.	18.50	19.50
Capital Wire Cloth com.	13.00	....
Do. pfd.	25.00	....
Cawthra Apts. units	15.00	....
Chase, A. W. units	53.00	54.00
Colonial Realty com.	18.00	....
Colonial Steamships com.	118.00	122.00
Commercial Finance com.	17.00	....
Commercial Life 10% pd.	9.50	11.50
Commonwealth Inter. Corp.	3.25	3.57
Confederation Life 30% pd.	195.00	....
Continental Life Assoc.	44.00	....
Cooksville A	10.00	11.50
Do. B	4.00	5.50
Copeland Flour units	33.50	....
Crown Life Ins. 100% pd.	320.00	....
Cuban Can. Sugar com.	4.00	5.25
Debent. & Securities pfd.	98.00	104.00
Detroit International Bridge	16.00	17.00
Dom. Can. Gen. Insur.	210.00	....
Dominion Life Assur.	230.00	....
Dover Industries Ltd.	10.00	11.00
Dunlop Tire pfd.	23.00	24.00
Dupuis Freres pfd.	24.00	....
Empire Life 25% paid	17.00	19.00
Essex Packers com.	....	5.00
Do. pfd.	....	40.00
Excelsior Life Ins. 50% pd.	103.00	....
Foreign Power Co.	5.50	7.00
Foreign Power Sec. pfd.	4.75	6.00
Galt Brass com.	29.00	32.00
Goderich Elev. & Trans.	15.00	16.00
Great West Life	425.00	....
Guardian Realty pfd.	34.00	....
Guaranty Co. of N. America	385.00	415.00

	Bid	Ask.
Guelph & Ont. Svgs. $50 par	41.00	45.50
Hart Battery com.	160.00	....
Homewood Sanitarium	10.00	....
Hudson Bay ord.	330.00	350.00
Imperial Life	60.00	....
Indust. Mtge. Trust $50 par	100.00	....
Ingram & Bell pfd.	80.00	88.00
Lambton Loan & Inv. $50 p.	2.00	4.00
Laprairie com.	80.00	86.00
Do. pfd.	49.00	16.50
Loblaw Groc. Inc.	345.00	360.00
Manufac. Life Ins.	7.50	8.50
McCarthy Milling A	117.00	121.50
Moirs Ltd. 6% pfd.	130.00	....
Monarch Life 60% paid	20.00	22.00
Morrow Screw com.	2.25	....
Mortgage discount pfd.	24.00	30.00
Mountainview Apts. pfd.	7.50	8.50
Nat. Drug & Chem. com. N.	10.50	12.00
Do. pfd.	60.00	70.00
Nat. Life Assoc. 25% pd.	11.50	12.50
New Brunswick Telephone	75.00	....
North Amer. Elev. 1st pfd.	1.90	2.00
Northern Tel. com.	148.00	....
Ont. & Que. Rlwy. 5 c. stks.	85.00	....
Paramount Oshawa pfd.	2.00	3.00
Peller Brewing com.	15.00	17.00
Do. pfd.	15.75	16.75
Provincial Bank of Canada	11.00	....
Prudential Trust	....	.50
Quality Steels com.	2.75	3.50
Sawyer Massey com.	5.00	7.00
Seiberling Rubber com.	2.00	3.00
Sincennes McNaught. Tugs	125.00	....
Sherbrooke Trust	47.00	....
Sovereign Life 25% paid	35.00	38.00
Standard Fuel pfd.	3.00	5.00
Do. com.	495.00	515.00
Sun Life Assce.	9.00	....
Thayers Ltd. com.	55.00	57.00
Do. pfd.	3.50	4.00
Third Can. Gen. Inv.	2.00	3.50
United Farmers Co-op.	135.00	....
Victoria Trust & Savings	6.25	7.25
Waterloo Manufac. com.	123.00	127.00
Waterloo Trust & Svgs.	67.00	....
Western Assurance com.	41.00	....
Do. pfd.	.90	1.35
Western Grain com.	10.50	12.00
York Trading com.	....	....

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 106
*1935 to date:												
High	247.7	287.9	149.7	123.7	231.8	138.5	447.0	168.5	146.2	136.2	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	73.9	214.3	113.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	62.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.8	276.1	137.4	106.4	131.0	113.7	106.4
Apr.	211.9	234.2	86.4	70.8	205.7	111.9	274.4	139.6	108.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	138.3	107.4	132.4	113.5	106.3
June	194.7	210.6	83.3	63.8	198.0	111.8	278.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
1949: Weekly Figures:												
Aug. 4	203.9	223.5	86.5	68.4	203.4	114.2	298.5	138.6	108.8	132.3	116.7	106.8
Aug. 11	209.4	231.8	91.3	69.4	203.9	114.8	307.4	140.2	110.1	133.2	120.1	108.9
Aug. 18	213.3	234.3	91.8	69.5	204.8	115.4	312.6	140.8	112.6	133.6	121.4	109.3
Aug. 25	211.2	232.9	91.2	68.0	206.2	114.0	308.4	140.4	113.1	134.2	119.6	107.8

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Aug. 29	178.34	104.47	95.37	43.33
Aug. 27	....	....	....	....
Aug. 26	177.11	105.07	96.06	43.45
Aug. 25	177.26	105.83	96.27	42.96
Aug. 24	176.88	105.02	95.85	43.07
Aug. 23	177.31	106.27	96.35	42.43
Month ago	170.61	100.11	94.45	41.88
Year ago	178.31	92.25	99.45	37.90
1949 High	182.74	109.52	110.34	38.43
1949 Low	157.28	87.06	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Aug. 29	72.6	121.1	105.0	283.38	67.38
Aug. 27	....	....	....	....	....
Aug. 26	73.1	121.2	105.1	280.51	67.54
Aug. 25	72.9	121.5	105.3	282.12	67.04
Aug. 24	72.8	121.4	105.4	285.43	67.96
Aug. 23	73.1	121.6	105.5	286.07	69.77
Month ago	71.0	117.3	101.8	268.23	63.55
Year ago	74.5	122.0	110.0	254.16	57.38
1949 High	72.9	132.4	112.9	343.31	70.30
1949 Low	70.6	109.3	98.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 29	177.75	44.97	36.39	63.14
Aug. 27	....	....	....	....
Aug. 26	179.24	45.55	36.63	63.64
Aug. 25	179.01	45.77	36.80	62.83
Aug. 24	178.78	45.60	36.47	63.54
Aug. 23	178.51	45.53	36.47	63.43
Month ago	176.84	44.95	35.85	62.69
Year ago	182.09	51.34	34.75	68.40
1949 High	182.02	54.29	36.80	66.18
1949 Low	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 30, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	68	71	68
†Assoc. Tel. & T.	5½	'55	107	111	107
Bell Telephone	3	'77	97½	99½	97½
B.C. Electric	3½	'67	95	97	94½
Calgary Power	3½	'72	96	...	96
East Kootenay	3½	'67	89½	92½	89
▲Gatineau Pr. D	3½	'70	100½	...	100½
*Do. C	3	'70	98½	...	98½
Gt. Lakes Pwr.	3½	'67	97½	99½	97½
*Int. Hydro-El.	6	'44	61	64	61
L. St. Law. Pwr.	3½	'65	92½	...	92½
Maclaren-Quebec Power	3	'69	94½	...	94½
†Mtl. Trams. A	5	'55	94	96	93
Nat. Lt. & Pwr.	4½	'61	100	...	100
Nor. Que. Pwr.	4½	'67	98	101	98
Ott. L.H. & Pr.	4	'57	100½	...	100½
Power Corp.	3½	'67	94½	...	94½
Quebec Power	3	'62	97½	99½	97½
Saguenay Pwr.	3	'71	100	...	100
St. Maurice Pr.	3½	'70	98½	100½	98½
Shaw W. & Pr.	3	'61	98½	...	98½
Shaw W. & Pr.	3	'71	96½	97½	95
Do.	3½	'70	100	103	100
Union Gas	4½	'50	100½	102½	100½
Un. Fuel Invest.	4	'59	101	...	101
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3½	'71	102	104	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	99	101	99
Acadia-Atlantic Sugar	3½	'65	101	104	101
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3½	'69	98½	...	98½
B.C. For. Prod.	4	'68	88½	91½	88½
B.C. Pulp & Pa.	3½	'67	91½	94½	91½
Bowater's Nfld. P. & P.	3½	'66	93	96	95
Brompton Pulp & Paper	3½	'60	92	95	92
*Brown Co.	5	'59	87½	90½	88
Burns & Co.	4	'63	96½	99½	96½
Can. Steamship	3½	'57	99½	102	99½
Can. Brew.	3½	'67	91½	94½	91½
Can. Celanese	3	'63	97	...	97
Can. Oil	3½	'62	98	101	98
Can. W. Lum.	4	'62	100½	...	100½
C.P.R.	3½	'51	101	...	101
C.P.R.	4	Perp.	106	...	106
Cockshutt Plow Co.	4½	'65	101	104	101
Columbia Cell.	5	'68	98½	101½	98½
Consol. Paper	3½	'67	101	103	101
Dom. Coal	4½	'52	100½	103½	100½
Dom. Tar & Ch.	3½	'57	100½	...	100½
Dom. Textile	3½	'59	101	...	101
Dom. Woolens	5	'64	99	101½	99
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	98½	101½	98½
E. B. Eddy	4	'66	101½	...	101½
English Elec.	4	'67	95½	98½	95½
Federal Grain	4	'64	97½	100½	97½
Gt. Lakes Pap.	3½	'67	99½	100½	99½
Imp. Tobacco	2¾	'66	96	99	96
Indust. Accept.	3½	'66	98	...	98
Lake St. J. P.	5	'61	101½	103½	101½
Lang, John A.	4½	'62	101	...	101
Laurentian Silk	4½	'67	99	...	99
MacMillan (H. R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	96	99	96
Massey-Harris	3	'68	94½	...	94½
Do.	4½	'63	100½	103½	100½
McColl-Front.	3	'71	94½	...	94½
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'66	100	...	100
Morgan (Henry) Prop.	3½	'67	99	...	99
N.S. Steel Coal	3½	'63	98	101	98
Penman's	3½	'66	99½	102½	99½
Price Bros.	3½	'66	100½	...	100½
Silv. Dairies	4	'60-64	97½	...	97½
Do.	4	'71	87½	90½	87½
Simpsons Ltd.	3½	'60	101	104	101
Sil. Co. of Can.	2¾	'67	94½	...	94½
Tor. Elevators	3½	'66	96	...	96
United Corp.	4	'58	100	...	100
United Steel	4	'60	99½	...	99½
Un. Grain. Gr.	4	'63	100	...	100
†Western Grain	5	'63	84½	88½	84½
York Knit. Mills	3½	'71	89	...	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
‡Payable in United States.
§Payable in Canada only.
▲Payable in Canada or U. K.

Municipal Bonds

Aug. 30, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3½	'55-68	97½	99½	3.79
Vancouver	3	'67	90¼	92¼	3.56
Calgary	3½	'62	98	100	3.44
Edmonton	3½	'60	98	100	3.29
Regina	[illegible]	'64	90½	92½	3.49
Moose Jaw	3-3½	'62	94	97	[illegible]
Winnipeg	2¾	'64	93	95½	3.19
Ottawa	3	'84	101½	103½	[illegible]
Toronto	2¾	'72	92	[illegible]	3.00
Hamilton	[illegible]	'60	99	101	3.50
Windsor	[illegible]	'73	73	75	4.05
Quebec	[illegible]	'66	[illegible]	73	3.90
Halifax	[illegible]	'66	96	[illegible]	3.90
Saint John	3½	'66	[illegible]	98	3.31
Windsor	3½	'75	76	79	4.05
Windsor	3½	'75	78	81	4.45
Montreal	3	'70	90	93	[illegible]

Market Comment

What stocks and bonds are doing and what prominent observers say

The economic and political picture contains enough ammunition to move the market sharply either way over the next two months. Continuing improvement in business in the U. S. with increasing signs of returning confidence among businessmen and continued absence of war fears are the main bullish factors. Possibility of further trade restrictions between dollar and sterling countries and break-down in the U. S. steel-labor negotiations are the bearish factors. Markets cannot be expected to do much either way until the forthcoming Washington talks on the British financial crisis have advanced to a fairly conclusive stage of policy-making.

President Truman is said to have been informed by his economic advisors that there is a definite prospect of an upturn in business that will carry well over into 1950. Listed as important reasons are:

1. Improvement in the stock market.
2. Evidence of excessive inventory liquidation at most business levels.
3. Reports of sizeable re-ordering for fall business.
4. Some recovery in prices of nonferrous metals.

Officials of all of Canada's basic industries are closely watching the outcome of the Washington conference. Agriculture, forest and mineral products would all be vitally affected by any devaluation in sterling.

Canadian mining markets are being sparked by Upper Canada, two of its mining neighbors — Northland and Queenston—and Sherritt Gordon. The skyrocketing advance of Upper Canada has renewed a good many traders' faith in the speculative potentialities of the Canadian mining market. The stock has just about tripled in value within the past three weeks under extremely heavy volume. Every new drill-hole sharply expands the potentialities of the company's new ore-body.

* * *

GOODWIN HARRIS & CO. (Toronto).

During the summer months all markets have consistently advanced with the New York market, as measured by the Dow Jones Industrial Averages, reaching the 182.00 level. This constitutes an advance of some 14 points from the low level reached in June this year.

At the time of writing, the market, again measured by these same indices, has retraced approximately one-third of the advance, which according to some observers should provide the necessary reaction. However, the problem which is still uppermost in the minds of most followers of the market is whether the advance of the last two months is based on the solid foundation of a somewhat stabilized profit level for business or whether it is merely a current phase in the downward swing that has been under way for the past few years.

We have, for some time, indicated that there must eventually be a return to normal business conditions from the abnormal situation which existed during and after the war years. This we believe has, to some degree, been accomplished, and only the future can foretell whether it will carry below this point. It can be said, however, that a return to unrestricted world trade may provide a favourable answer to this question. Speculation on results of the September meeting of the International Monetary Fund has undoubtedly brought buying into our Canadian gold stocks.

It is, however, difficult to assess the importance of the buying predicted on this factor as against the buying based on the slowly discernible increase in earnings due to higher production figures and slightly lower costs. We are inclined to think, at this point, that the latter factor will prove to be of better value in judging the merits of the various producing gold mining companies, than speculating on the results of the forthcoming meeting of the Fund.

Insofar as the devaluation of sterling. Unquestionably sterkets are concerned, stock prices have never reached a point which discounted the high per share earnings of the last few years, always reflecting the investor's fears for the future. Income-wise, this has paid handsome returns to those who have refused to be frightened by a continued barrage of dire depression prophecies. We predict that this will continue to be the case in the immediate future.

* * *

S. J. ZACKS: S. J. Brooks & Co. (Toronto).

Action of the market during August has been pleasing to most investors and there is now much better sentiment in view of the present trend in prices than there has been for many months.

Gold stocks which have been selling too cheaply have also been receiving some encouragement with the possible raise in the price of gold and the devaluation of sterling. Unquestionably sterling prices are too high and with the dollar shortage becoming more acute there is a strong likelihood of currency devaluation.

England requires either gift dollars, loans or the investment of American dollars in addition to exports. It would be difficult to have passed by Congress a loan or a larger flow of gift dollars for the U. K. at the present time. Americans might be encouraged to invest in the U. K. if sterling were more realistically valued. While there is less inclination in the U. S. to continue the ECA plan flow of gift dollars on the same scale as hitherto had been made possible, there is a chance of loans and investment by Americans in U. K. and European countries if their currencies were revalued. This trend would likely come into greater focus in the near future and have a beneficial effect on the golds.

Business and employment in Canada continue on a very high level with resultant high purchasing power. While exports are becoming more difficult, there has been no serious effect on Canadian business.

It is therefore our opinion, that after a period of digestion resulting from the recent rally in the market, the market will again move ahead. The market is a very selective one. Generally speaking, the industrial stocks in relation to earnings, look attractive and after a period of adjustment and gradual straightening away, there are good possibilities for higher prices.

* * *

J. ERNEST SAVARD: Savard & Hart Co. (Montreal).

Although earnings for the current year are likely to be down from their 1948 levels, there is still a large variety of issues which appear to be cheap on the basis of their present market prices.

It is naturally difficult to assess international difficulties accurately, but the markets would seem to have discounted already most of the other foreseeable troubles which may affect profits. Despite a recent trend upwards in security prices, there still is a general lack of confidence which is reflected in the relatively slow trading volume.

Among the individual groups, the better grade oil stocks look attractive over the long term. The metals should do well for some time yet. Some of the food issues also offer good opportunities for investment.

* * *

BARRON'S: The Trader (New York).

Department of Commerce reports monthly orders placed with manufacturers picked up 8% in May and June in "the first significant break" in the downturn that began last fall. For seven successive weeks, privately compiled new orders have been in a sharply rising curve, which, from precedent, needs an extension of only two or three weeks to constitute a virtually solid guarantee of important expansion in business this fall.

* * *

New Highs and Lows

During the week ended Aug. 27, 19 new highs were recorded among the general stocks on Canadian Stock Exchanges and 10 new lows. In the mining group there were 23 new highs and six new lows. In the western oil group there were two new highs and four new lows.

GENERAL

New Highs—1949

B. C. Power A
Canada Safeway
Cdn. Breweries
Cdn. Westinghouse
Cons. Bakeries
Capital Estate
Consumers' Gas
Dom. Glass
Dom. Stores
Gen. Steel Wares
Hotel La Salle
Hydro-Electric
Loblaw B
Molson Brew.
Ottawa L. H. & Pr.
Stand. Pav. pref.
Traders Fin. A
Union Gas
United Fuel B pref.

New Lows—1949

Ang.-Nfld.
B. C. Forest
Caldwell Linen
Fittings
Invest. Found'n pf.
London Hos. A
Maclaren Power
Ogilvie pref.
Quinte Milk A
Sidney Roofing

MINING

New Highs—1949

Belleterre
Bonetal
Bralorne
Broulan
Coniaurum
Hard Rock
Kerr-Addison
Lamaque Gold
Lunward Gold
Macassa
MacL'd-Cockshutt
McIntyre Porc.
McKenzie Red L.
Northland
Osisko
Pickle Crow
Preston E. Dome
Sigma M.
Soma-Duv.
Sturgeon River
Sylvanite
Toburn Gold
Upper Canada
Winnipeg River Tin

New Lows—1949

Barymin
Chesterville
Gulf Lead
Int. Uranium
Man. & Eastern
Silanco

OILS

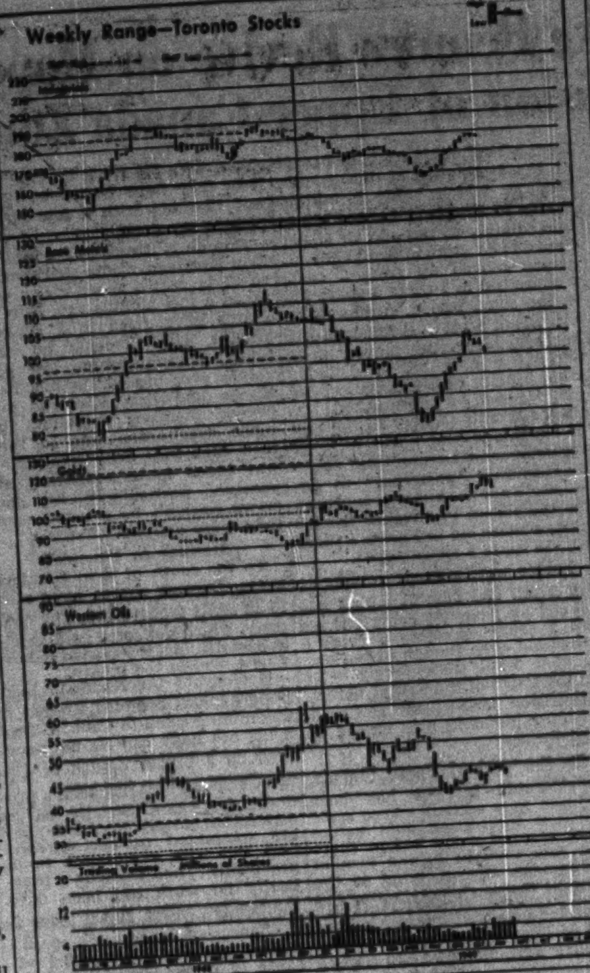
New Highs—1949

Flank Pet.
Marvel Oils

New Lows—1949

Admiral
Superior
Texas-Canadian
Vanalta

TOWN OF L'ASSOMPTION, Que. has sold $140,000 3¼% bonds due Sept. 1, 1964 to L. G. Beaubien & Co. for price of 98.45 at net cost to town of 3.8487%. Balance of $90,000 will be paid at maturity through 25-year renewal loan. Proceeds are to build filtration plant and water conduit. Net consolidated debt at Dec. 31, 1948 was $60,971; population, 2,440.



Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.25	Oct. 1	Sep. 1
Do. pfd.	.37½	Oct. 1	Sep. 1
Acadia Atlantic A	.25	Oct. 1	Sep. 10
Do. pfd. 5%	1.25	Sep. 15	Aug. 23
Agnew-Surpass	.15	Sep. 1	July 30
Aluminium	.50	Sep. 3	Aug. 8
Aluminum pfd.	.25	Sep. 1	Aug. 3
Do.	.25	Dec. 1	Nov. 3
Amer. Cyanamid	.37½	Oct. 1	Sep. 2
Do. pfd.	.87½	Oct. 1	Sep. 2
Asbestos Corp.	.30	Sep. 30	Sep. 8
Anglo-Can. Tel. A	.15	Sep. 1	Aug. 10
Argus Corp.	.15	Sep. 1	July 29
Do. pfd.	1.12½	Sep. 1	July 29
Ashdown Hdwre. A	.15	Oct. 1	Sep. 10
Do. B	.40	Oct. 1	Sep. 10
Auto Electric Ser.	.10	Sep. 15	Aug. 19
Do. A	.12½	Sep. 15	Aug. 19
Auto Fabric A	.15	Oct. 1	Sep. 15
Do. B	.10	Oct. 1	Sep. 15
Aurnor Gold	.05	Sep. 1	Aug. 10
La B'que d'Economie	.25	Sep. 1	Aug. 15
Bk. Candn. Nat.	.20	Sep. 1	Aug. 15
Bk. of Montreal	.20	Sep. 1	July 30
Bk. of Toronto	.25	Sep. 1	Aug. 15
Barber-Ellis	.25+.25	Sep. 15	Aug. 31
Bathurst&Pwr. & Pap. Cl. A	.37½+.12½	Sep. 1	Aug. 2
Beaver Lumber A	.25	Oct. 1	Sep. 10
Do. pfd.	.25	Oct. 1	Sep. 10
Beld.-Cort.	1.50	Oct. 1	Aug. 31
Bell Tel.	.50	Oct. 15	Sep. 15
Borden Co.	1.00	Sep. 15	Aug. 15
Belleterre Que. M.	.10	Oct. 1	Sep. 8
Brazilian Tr. pfd.	1.50	Oct. 1	Sep. 6
B. A. Oil	.25	Oct. 1	Sep. 6
Do. pfd.	.0.234375	Oct. 1	Sep. 15
B. C. Elec. 4½% pf.	1.19	Coup. 4-xc-	Sep. 29
Do. 4% pfd.	1.00	Coup. 10-xc-	Sep. 29
B. C. Packers A	.37½	Sep. 15	Aug. 25
Do. B	.25	Sep. 15	Aug. 25
B. C. Power A	.40	Oct. 15	Sep. 30
Bruck Mills A	.30	Sep. 15	Aug. 15
Do. B	.07½+.07½	Sep. 15	Aug. 15
Brown Co. pfd.	†1.50	Sep. 1	Aug. 10
Burlington Steel	.20	Oct. 1	Sep. 10
Burns Co. A & B	.30	Oct. 28	Oct. 7
Burrard D. D. A	.12	Sep. 15	Aug. 25
Butterfly Hose	.25	Sep. 15	Aug. 15
Cal. & Edmonton	.05	Oct. 1	Sep. 9
Can. Bread 1st pfd.	1.12½	Oct. 1	Sep. 9
Do. B pfd.	.62½	Oct. 1	Sep. 9
Can. Cr. Stone	.15	Sep. 20	Sep. 9
Can. & Dom. Sugar	.25	Sep. 1	Aug. 10
Can. Dry	.15	Oct. 1	Aug. 15
Do. pfd.	†1.06¼	Oct. 1	Aug. 15
Can. Flooring A	.25	Sep. 15	Aug. 15
Can. Foils	.10	Sep. 15	Aug. 25
C. Fdry. & Forg. A	.37½	Sep. 15	Aug. 29
Can. Malting	.50	Sep. 15	Aug. 15
Can. Packers A	.75	Oct. 1	Sep. 1
Do. B	.25	Oct. 1	Sep. 1
Can. Perm. Mtge.	2.00	Oct. 1	Sep. 15
Can. Safeway pf.	1.12½	Sep. 1	Aug. 12
Can. Starch pfd.	3.50	Sep. 30	Sep. 15
Can. Vinegars	.20	Sep. 1	Aug. 15
Do. B	.50	Oct. 1	Aug. 31
Candn. Brew.	.50	Oct. 1	Aug. 31
Candn. Can	.31¼	Sep. 30	Sep. 9
Do. 1st pfd.	.25+.05	Sep. 30	Sep. 9
Do. 2nd pfd.	.15+.05	Sep. 30	Sep. 9
Candn. Cel.	.25	Sep. 30	Sep. 9
Do. $1.75 pfd.	.43¾	Sep. 30	Sep. 9
Do. $1 pfd.	.25	Sep. 30	Sep. 9
Candn. Cot.	.70	Oct. 1	Sep. 20
Do. pfd.	.30	Oct. 1	Sep. 20
Candn. Dredge	.25	Nov. 2	Oct. 8
Do.	.25	Feb. 2	Jan. 8
Candn. Fairb.-M.	.25	Oct. 1	Aug. 31
Candn. Food Pro.	.18¾	Oct. 1	Aug. 31
Do. A	.25	Oct. 1	Aug. 31
Do. pfd.	1.12½	Oct. 1	Aug. 31
Can. For. Inv. Corp.	.50	Oct. 1	Sep. 30
Candn. Gen. Elec.	2.00	Oct. 1	Sep. 15
Candn. Ind.	.17½	Oct. 31	Sep. 30
Do. pfd.	1.75	Oct. 15	Sep. 15
Candn. Ice Mach. A	.20	Oct. 1	Sep. 14
Candn. Ing.-Rand	1.00	Sep. 28	Sep. 14
Candn. Motor L.	.15	Sep. 15	Aug. 25
Can. Int. I. Tr. pfd.	2.50	Sep. 15	Aug. 12
Do.	.15	Dec. 15	Nov. 15
Candn. Oil 4% pfd.	1.00	Oct. 1	Sep. 1
Do. 5% pfd.	1.25	Oct. 1	Sept. 1
Do. 8% pfd.	2.00	Oct. 1	Sept. 1
Candn. Pac. Rlwy.	.50	Oct. 1	Aug. 22
Candn. Tire	.50	Oct. 1	Aug. 20
Candn. West. Lum.	.10	Oct. 15	Sep. 17
Can. W. Nat. Gas pf.	.25	Oct. 1	Aug. 15
Cap. Wire Cloth pfd.	.30	Sep. 1	Aug. 15
Cassidy's	.15	Oct. 1	Sep. 2
Do. pfd.	1.75	Oct. 1	Sep. 2
Chartered Trust N.	.25	Sept. 1	Aug. 16
Chatco Steel pf.	.25	Sept. 1	Aug. 18
Cockshutt Plow	.20	Sep. 30	Aug. 30
Cons. Litho.	.15	Sep. 15	Aug. 15
Cons. Textile	.15	Sep. 1	Aug. 18
Consol. Theatres A	.15	Sep. 1	Aug. 18
Cooksville Co. A	.15	Sep. 1	Aug. 15
Corr. Paper Box	.37½	Sep. 1	Aug. 13
R. L. Crain	.20	Sep. 30	Sep. 10
Crown Trust	1.25	Oct. 1	Sep. 15
David & Frere A	.25+.25	Sep. 30	Sep. 15
Davis Leather A	.37½	Sep. 1	Aug. 1
Do. B	.17½	Sep. 1	Aug. 1
Distillers Corp.-Seag.	.25	Sep. 15	Aug. 23
D. & Anglo Inv. pf.	1.25	Sep. 15	Aug. 23
Dom. Dairies	.12½	Oct. 15	Sep. 30
Do. pfd.	.44	Oct. 15	Sep. 30
Dom. Glass	.25	Oct. 15	Sep. 29
Do. pfd.	.25	Oct. 15	Sep. 29
Dom. Scot. Inv. Tr. pf.	.62½+1.00	Sep. 4	Aug. 15
Dom. Stores	.37½	Sep. 15	Aug. 15
Dom. Tar & Chem.	.25	Nov. 1	Oct. 1
Do. V.T.	.25	Nov. 1	Oct. 1
Do. pfd.	.25	Oct. 1	Sep. 1
Dom. Textile	.15	Oct. 15	Sep. 15
Donnacona Pap.	.50	Oct. 1	Sep. 1
Donohue Bros.	.30	Oct. 1	Aug. 15
Economic Inv. Tr.	1.00	Oct. 1	Sep. 15

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
Eddy Paper A	.25	Sep. 15	Aug. 16
Electrolux	†.40	Sep. 15	Aug. 15
Emp. Brass A	.25	Oct. 15	Sep. 30
Esmond Mills pf.	.25	Nov. 1	Oct. 7
Famous Players	.25	Sep. 24	Sep. 9
Fanny Farmer	†.37½	Sep. 30	Sep. 15
Fibre Prod.	.20	Sep. 21	Sep. 1
Foothills Oil	.12½	Oct. 1	Sep. 16
Fraser Cos.	.50	Oct. 24	Sep. 30
Do. pfd.	1.18	Oct. 1	Sep. 10
Gair of Can. pfd.	1.00	Sep. 1	Aug. 13
Gat. Power	.30	Oct. 1	Sep. 1
Do. 5% pfd.	1.25	Oct. 1	Sep. 1
Do. 5½% pfd.	1.37	Oct. 1	Sep. 1
Golden Man. M.	.05	Oct. 1	Sep. 9
Grafton A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Gerd. Mackay A	.12½	Sep. 15	Aug. 15
Do. B	.25	Sep. 15	Aug. 15
Gt. Lakes Pap.	.25	Sep. 30	Sep. 15
Do. A	.62½	Sep. 30	Sep. 15
Do. B	.30	Oct. 1	Sept. 20
Gt. West Felt	.35	Sep. 1	Aug. 1
Gypsum, Lime	.25	Dec. 1	Nov. 1
Do.	.07	Sep. 1	Aug. 10
Hallnor M.			
Ham. Bridge	.12½+.12½	Oct. 1	Sep. 15
Ham. Cotton	.22½	Sep. 1	Aug. 10
Hendershot Pap.	.25	Oct. 1	Sep. 16
Do. pfd.	2.50	Oct. 1	Sep. 16
Hinde & Dauch	.25	Oct. 1	Aug. 31
Hollinger Cons.	.06	Sep. 30	Sep. 2
F. W. Horner A	.12½	Oct. 1	Sep. 1
How. Smith	.50	Oct. 31	Sep. 30
Do. pfd.	.50	Oct. 20	Sep. 30
Howe Sound	†.50	Sep. 10	Aug. 26
Hudson Bay M. & S.	1.00	Sep. 12	Aug. 12
Huron & Erie Mtge.	1¼%	Oct. 1	Sep. 15
Imp. Tobacco	.12½	Sep. 30	Aug. 16
Do. 6% pfd.	3%	Sep. 30	Aug. 16
Int. Bronze pfd.	.37½	Oct. 15	Sep. 15
Imp. Varnish	.25	Sep. 1	Aug. 19
Do. pfd.	.37½	Sep. 1	Aug. 19
Ind. Accept.	.37½	Sep. 30	Sep. 1
Do. 5% pfd.	1.25	Sep. 30	Sep. 1
Do. 4¼% pfd.	1.06¼	Sep. 30	Sep. 1
Do. 5% conv. pfd.	*.15½	Sep. 30	Sep. 1
John Inglis	.10	Oct. 1	Sept. 16
Int. Nickel	†.40	Sep. 20	Aug. 22
Int. Paper	†1.00	Sep. 29	Sep. 2
Do. pfd. 4%	†1.00	Sep. 29	Sep. 2
Int. Utilities	*.25	Sep. 1	Aug. 12
Inv. Found. pf.	.75	Oct. 15	Sep. 15
Island Tug & B. pf.	.25	Sep. 2	Aug. 16
Jam. Pub. Ser.	.25	Oct. 1	Aug. 31
Do. pfd.	1.75	Oct. 1	Aug. 31
Kelvinator	.75+.75	Sep. 20	Sep. 5
Kerr Addison	.20	Sep. 28	Aug. 31
Lake Shore M.	.15	Sept. 15	Aug. 15
Lake of Woods Mill.	.40	Sep. 1	Aug. 1
Do. pfd.	1.75	Sep. 1	Aug. 1
Lamaque G. M.	.12	Oct. 1	Aug. 17
Alf Lambert pfd.	.25	Sep. 1	Aug. 15
J. A. Long	.25	Oct. 1	Sep. 10
Laura Secord	.20	Sep. 1	Aug. 15
Laur. Accept. pfd.	.25	Oct. 30	Oct. 15
Loblaw Groc. A & B	.25	Sep. 1	Aug. 3
Loblaw Inc.	†.20	Sep. 1	Aug. 10
M. Loew's	1.00	Sep. 30	Sep. 15
Louisiana Land & Expl.	†.25+.15	Sept. 15	Sept. 1
Lounsbury A	.12½	Sep. 1	Aug. 15
W. M. Lowney	.25	Oct. 15	Sep. 15
H. R. Macmillan A	.12½	Sep. 30	Sep. 15
Do. B	.12½+.10	Sep. 30	Sep. 15
Mack. Steel pfd.	1.25	Oct. 1	Aug. 31
Maritime Tel.	.20	Oct. 15	Sep. 20
Do. pfd.	.17½	Oct. 15	Sep. 20
Massey-Harris	.62½	Sep. 15	Aug. 20
Do. pfd.	.37½	Sep. 15	Aug. 20
Maxwell Ltd.	.12½	Sep. 1	Aug. 15
McIntyre Porc. M.	.50½	Sep. 1	Aug. 3
J. S. Mitchell	1.00+.25	Oct. 1	Sep. 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Modern Cont. A	.25	Oct. 3	Sep. 20
Molsons Brew.	.25+.25	Sep. 27	Sep. 6
Monarch Knit.	.25	Oct. 1	Aug. 31
Do. pfd.	1.12½	Oct. 1	Aug. 31
Mtl. Telegraph	.50	Oct. 15	Sep. 15
Moore Corp.	.75	Oct. 1	Aug. 31
Do. A & B pfd.	†1.75	Oct. 1	Aug. 31
Do. 4% pf.	.25	Oct. 1	Aug. 31
H. Morgan pfd.	*1.19	Sep. 1	Aug. 10
Nat. Biscuit	†.40	Oct. 14	Sept. 9
Nat. Brew.	.44	Oct. 1	Sep. 9
Do. pfd.	.50	Oct. 1	Sep. 9
Nat. Drug	.12½	Sep. 1	Aug. 12
Do. pfd.	.15	Sep. 1	Aug. 12
Nat. Hose. A	.15	Oct. 1	Sep. 1
Do. B	.30	Oct. 1	Sep. 1
Nat. Sea Prod. pf.	2.50	Sep. 1	Aug. 15
Nat. Sew. Pipe A	.50	Sep. 15	Aug. 31
Nat. Steel Car	.37½	Oct. 15	Sep. 15
Wm. Neilson pfd.	1.25	Sept. 1	Aug. 19
Nfld. Lt. & Pwr.	.25	Sep. 25	Sep. 10
Niagara W. W.	.25	Sep. 15	Aug. 20
Noranda M.	1.00	Sep. 15	Aug. 18
Normetal M.	.05	Sep. 30	Aug. 30
Nor. Que. Pwr. pfd.	1.35	Sep. 1	Aug. 15
Nova Scotia Lt. & Pr. 4% pfd.	1.00	Sep. 1	Aug. 6
Do. 4½% pfd.	1.12	Sep. 1	Aug. 6
Do. 6% pfd.	1.50	Sep. 1	Aug. 6
Ogilvie Flour	.25	Oct. 1	Aug. 25
Do. pfd.	1.75	Sep. 1	July 27
Ohsco pf.	.25	Oct. 2	Sep. 20
Okanagan Val. Tel.	.25	Sep. 1	Aug. 15
Do. pfd.	.30	Sep. 1	Aug. 15
Ont. Steel	.25	Nov. 15	Oct. 14
Do. pfd.	1.75	Nov. 15	Oct. 14
Page-Hersey	.45	Oct. 1	Sep. 15
Que. Man. M.	.04	Oct. 1	Sep. 9
Paton Mfg.	.20	Sept. 15	Aug. 31
Do. pfd.	.35	Sept. 15	Aug. 31
Photo Engravers	.75	Sep. 1	Aug. 15
Powell River	.50	Coup. 19-xc	Sep. 14
Pressed Met.	†.25	Sept. 1	Aug. 10
Do.	.25	Dec. 1	Nov. 10
Preston E. D. M.	.01½	Oct. 15	Sep. 15
Proprietary M.	.15	Sep. 28	Aug. 31
Provincial Bk.	.15	Sep. 1	Aug. 15
Purity Flour	.25	Sep. 1	Aug. 12
Que. Man. M.	.05	Oct. 1	Sep. 9
Regent Knit. pf.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Remington Rand	†.25	Oct. 1	Sept. 9
Do. pfd.	†1.12½	Oct. 1	Sept. 9
Robinson Little A	.20	Sept. 1	Aug. 15
Rolland Pap. pfd.	1.00	Sep. 1	Aug. 15
Royal Bank	.20	Sep. 1	July 20
Royalite Oil N.	.08½	Sep. 1	Aug. 15
Sag. Pwr. pf.	1.07	Oct. 1	Sep. 15
Sarnia Bridge	.25	Oct. 1	Sep. 15
Saudi-Arabian M.	†.15	Oct. 31	Oct. 17
Scythes & Co.	.25	Sep. 1	Aug. 15
Do. pfd.	.31¼	Sep. 1	Aug. 15
Sec. Can. Int. I. Tr.	.10	Sep. 15	Aug. 31
Do. pfd.	.10	Sep. 15	Aug. 31
Shaw. W. & Pwr. Cl. A pfd.	.50	Oct. 3	Sep. 2
Sick's Brew.	.25	Sep. 30	Aug. 30
Silknit	.15	Sep. 15	Sep. 1
Do. pfd.	.50	Sep. 15	Sep. 1
Silverwood Dair. A	.15	Oct. 1	Sep. 7
Do B	.15	Oct. 1	Sep. 7
Silverw'd, W. D. pfd.	1.25	Oct. 1	Sep. 7
H. Simon & Sons	.30	Sep. 1	Aug. 2
Do. pfd.	1.25	Sep. 1	Aug. 2
Simpsons A & B	1.00	Sep. 15	Aug. 15
Do. pfd.	1.12½	Sep. 15	Aug. 15

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
So. Can. Pwr.	.30	Nov. 15	Oct. 20
Do. pfd.	1.50	Oct. 15	Sep. 20
Stand. Chem.	.10	Sep. 1	July 29
Do. pfd.	1.25	Sep. 1	July 29
Stand. Pav.	.50	Oct. 1	Sep. 15
Do. pfd.	.62½+.12½	Oct. 1	Sep. 15
Stedman Bros.	.20	Oct. 1	Sep. 15
Super Serv. 4½% pf.	.11¼	Sep. 15	Aug. 22
Do.	.11¼	Dec. 15	Nov. 22
Sun Publishing	.25	Sep. 1	Aug. 20
Sylvanite G. M.	.01½	Oct. 1	Aug. 12
Tamblyn Ltd.	.25+.05	Oct. 1	Sep. 9
Do. pfd.	.50	Oct. 1	Sep. 9
Taylor Pear. & Car. pfd.	.12½	Sep. 1	Aug. 20
Teck-Hughes G. M.	.05	Oct. 1	Aug. 17
Tip Top Tailors	.15	Oct. 1	Sep. 1
Tor. Elevators	.15	Sept. 1	Aug. 26
Tracers Fin. A & B	.37½	Oct. 1	Sep. 15
Do. pfd.	1.12½	Oct. 1	Sep. 15
Trans-Can. Shares ser. B	0.374	Sep. 1	Coup. 10
Un. Auto Parts pf.	1.25	Sep. 1	Aug. 15
United Fuel A pf.	.75	Oct. 3	Sep. 9
United Grain	1.00	Sep. 1	July 30
United Steel	.15	Sep. 30	Sep. 15
Vanc. Mach. A	.37½	Sep. 1	Aug. 15
Verney Corp. pfd.	.56	Oct. 1	Sep. 15
Viceroy Mfg.	.15	Sep. 15	Sep. 1
Virg. Dare pfd.	.31¼	Sep. 1	Aug. 18
Waite Amulet M.	.30	Sep. 30	Aug. 10
H. Walker-Good.	.50	Sep. 15	Aug. 19
Westeel Pro.	.50+.25	Sep. 15	Aug. 25
Geo. Weston	.25	Oct. 1	Sep. 9
Do. pfd.	1.12½	Sep. 1	Aug. 15
Wilsil Ltd.	.25	Oct. 1	Sep. 1
J. C. Wilson	.15	Sep. 15	Aug. 31
Woods Mfg.	.50	Sep. 30	Aug. 31
Wool Combing	.40	Oct. 10	Sep. 23
Wright-Harg. M.	.04	Oct. 1	Aug. 26

†American funds. *Initial.

Company Meetings

1949	Company	Place
Aug. 31	B. C. Packers	Vancouver
Aug. 31	Nat. Pet.	Calgary
Aug. 31	Wabasso Cot.	Three Rivers, Que.
Sept. 8	Agnew-Surpass	Brantford, Ont.
Sept. 13	Fairchild Air.	Longueuil, Que.
Sept. 22	Tip Top Can.	Otterville, Ont.
Sept. 27	Can. Wirebound	Toronto
Sept. 28	Can. Coll.	Vancouver
Sept. 30	Celta Dev. & Min.	Montreal

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
*Un. Sec. Ser. B	3%	1952	Sep. 1	100½

*$1,282,500.

Public Utility Earnings

MEXICAN LIGHT & POWER

	1949	1948
April:		
Gross earns.	$1,895,180	$1,846,722
Oper. expense	1,553,406	1,718,709
Int. & s. fund	181,000	185,000
	*39,226	*56,987
Four Months:		
Gross earns.	6,945,675	7,354,559
Oper. expense	6,112,728	6,677,571
Int. & s. fund	724,000	740,000
	108,947	*63,012

*Deficit.

Above figures are subject to final adjustment when the annual accounts are made up.

Investment Trust

	Bid	Asked
Affiliated Funds	3.65	3.99
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.50	4.95
Can. Invest. Corp.	7.75	8.50
Corporate Invest.	7.09	8.60
Commonwealth Int.	3.24	3.56
Trans-Canada	13.50	....
Do. B	....	13.80

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.12	$20.93	$21.17
Hogs	32.35	31.60	32.60
Copper, lb.	.17⅝	.17⅝	.23½
Sugar, raw, lb.	.0540	.0540	.0530
Coffee, lb.	.28¼	.26⅞	.26¾
Hides	.24	.23½	.28
Weekly Indices			
U. S. Labor	151.8	151.9	169.8
Dow Jones	128.43	129.12	142.85
Fisher's	160.9	162.2	176.1
Monthly Indices			
Retail (July)†	162.1	160.5	156.9
W'sale (July)	156.6	156.3	152.2
U. S. (May)	155.7	156.9	163.9
Gt. Brit. (June)	231.8	231.3	222.1

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Government Bonds

(Supplied by Investment Dealers Assoc. of Canada)

Aug. 30, 1949

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ..	‡101⅞	102¼
3	Mar. 1954 ..	‡102½	102⅞
3	Nov. 1956 ..	‡103¼	103⅞
3	May 1957 ...	103½	103⅞
3	Jan. 1959 ...	102	102½
3	June 1960 ...	101½	102⅛
3	Feb. 1962 ...	101½	102⅛
1½	Nov. 1950 ...	100	100½
3	Oct. 1963 ...	101½	102
3	Sept. 1966 ...	101½	102
1½	Nov. 1949 ...	100	100½
Dom. of Canada Bonds:			
3	June 1958 ...	102	102½
3½	Feb. 1952 ...	102½	102¾
3	Oct. 1949 ...	100	100¼
3	June 1955 ...	100½	101¼
4½	Nov. 1959 ...	100½	100¾
3½	June 1966 ...	103	103½
3	Perpetual ..	†100¼	101¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101¼	102¼
4½	Sept. 1951 ..	¶105½	106¼
4½	Feb. 1956 ..	¶117½	120
4½	July 1957 ..	‡119½	122
5	Oct. 1969 ..	*¶105	106½
5	Feb. 1954 ...	110½	111½
3	Feb. 1970 ..	*¶105¼	107
4½	June 1955 ..	¶118	120¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	¶118¼	120¼
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	¶106½	108¼
4	Jan. 1962 ..	¶116½	119
Montreal Harbour Comm.:			
3	Nov. 1969 ..	¶*104½	106
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/54	100½	102
3½	June 1969 ...	106	109
3½	June 1956/71	100½	102
3½	June 1956/72	‡100½	102
British Columbia:			
3½	Jan. 1967 ...	98½	99½
4½	Jan. 1969 ..	‡125½	128½
5	Apr. 1954 ..	‡115	117¼
5	Sept. 1953 ...	100½	108½
3	Dec. 1960 ..	99	100½
4	Dec. 1957 ..	‡112½	114½
Manitoba:			
4	Dec. 1957 ..	‡112½	115
4½	Dec. 1956 ..	‡116	118½
5	Dec. 1959 ..	¶122	124½
2¾	Aug. 1952/64.	93½	95
5½	July 1958 ...	116½	118½
New Brunswick:			
4½	Apr. 1961 ..	‡115	117
5	Jan. 1960 ..	‡118½	120½
3½	June 1966 ...	89½	91½
3½	Oct. 1960 ...	97½	98½
Nova Scotia:			
3½	June 1956 ..	100½	102½
4½	Nov. 1960 ..	‡118½	120½
5	Mar. 1960 ..	‡122½	124½
3	June 1956/58	98½	101½
2¾	Sept. 1966 ..	93½	95½
3½	May 1960/62	100½	101½
Ontario:			
2¾	Nov. 1962/69	94½	96
3	Apr. 1962/65.	99½	100½
3½	May 1952/55	102	103
4	June 1962 ..	¶116½	118½
4½	June 1959 ...	101	102
4½	Jan. 1962 ..	‡122	123½
5	Dec. 1960 ..	¶125½	128
2¾	July 1967/76	93	95½
Ont. Hydro Commission:			
4	Aug. 1957 ..	¶113	115½
3½	June 1951/71.	94	94½
3½	Oct. 1965/69.	94½	95½
Prince Edward Island:			
4	Mar. 1951/54	101	102½
Quebec:			
3½	Mar. 1954/80.	102½	104½
3½	Feb. 1952/53	103	104½
4½	Aug. 1956 ...	108½	110
4½	Jan. 1963 ...	113½	115
3	Feb. 1960/62	99	100½
4	Nov. 1950/52.	101½	103
Quebec Hydro Commission:			
3	Feb. 1969/73	97½	98½
Saskatchewan:			
4	Nov. 1953/60.	99	100½
5	Aug. 1958 ...	105½	107½
4½	Mar. 1960 ..	‡108	110
5½	Oct. 1952 ..	104½	106
6	Mar. 1952 ...	104½	106½
5	Dec. 1959 ..	‡110½	112½
3	Mar. 1963 ...	91½	93½
3½	Nov. 1960/62.	92	93½
3½	Feb. 1960/62.	96½	98½

§Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ‡Payable Can. or N.Y.
¶Payable Can., N.Y. or £. *Callable at a premium.

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Kirkland Lake Pennies Revive on Hopes Of Big Extension of Upper Canada Zone

BY GORDON M. GRANT

After months of "suspended animation" in the Over-the-Counter mining market, buyers have been appearing over the past week for close to a dozen issues in the eastern end of the Kirkland Lake area. Renewed interest in this section has caused a number of issues to double and triple on hopes that the new Upper Canada ore—and big new structure—may have wider significance than originally realized.

As Upper Canada's property covers a strike length of 2½ miles, and the new find is right in the middle of this strike length, others may have to place their main hopes for further ore lenses in a continuation of the same structure rather than in hopes for an extension of the Upper Canada ore body itself. However, prices of Upper Canada's neighbors haven't been high in dollars and cents and there have been lots of issues available for those who wanted a long shot.

Just where the extensions of the east-west break might be located is still something of a mystery but almost all the issues in the general east-west trend have come in for market interest.

Northland, with a big property to the north of Upper Canada, and a small property on the north part of the west boundary, traded close to half a million shares in the early days of this week following announcement of a new financing deal. Deep drilling is planned on the southwest claim where values up to $23 are reported to have been secured in an earlier program.

Nothing like the active Northland trading has so far occurred in the Over-the-Counter neighbors of Upper Canada but the interest has been there though on a lesser scale. Immediately to the east of Upper Canada, Scott Chibougamau has moved up to 7½ cents a share bid, 9 cents a share asked from a level of 2½ cents to 4 cents at the beginning of the month. Wadasa, which holds a million shares in Kirkland Larder Mines immediately to the east of Upper Canada and south of Scott Chibougamau moved up from [illegible] cents a share bid to 7 cents a share bid in the same period. Adjoining to the east of Scott Chibougamau and Wadasa, Mary Ann moved up to 6 cents a share bid on Tuesday from a price of 3½ cents a share bid, 4½ cents a share asked, less than a month earlier. To the east of Northland and north of Scott Chibougamau, Lardon Gold Mines was another "easterner" to advance. Enough buying appeared for the shares to advance from 2 cents a share bid to 7 cents a share bid, 10 cents a share asked.

Tobico with a small holding to the south and east of Upper has moved up from 1½ cents a share bid 3 cents asked, to 5 cents a share bid even though at the moment it hardly looks likely to be on the strike of the new structure. Queenston, to the south and west, with a mine of its own moved up sharply.

To the west of Upper Canada, considerable interest has been aroused in a section where some low but interesting gold values were secured years before there was any thought of the present excitement. Biroco, lying to the west of Upper Canada, years ago reported assays of interest including $4.70 over 25 ft. Biroco shares earlier were offered at 10 cents a share, with 1¼ cents the best bid. Now they have traded at 10, 11 and 12 cents with a few buyers picking up stock.

Adjoining Biroco to the south is Erin Kirkland whose shares traded at ½ cent a share bid, a cent asked a few months ago. Now its shares have risen to 2 cents a share bid, 3 cents a share asked. Erin got some low gold values over big widths too. Both Biroco and Erin Kirkland suspended previous operations because overburden was so thick that diamond drill exploration was found to be extremely expensive, particularly as good crews couldn't be secured when they were drilling.

Darmac to Finance?

To the south of Erin Kirkland again, Darmac shares have risen to 10 cents a share bid. The company, which got some gold values in past drilling, is reported to have a new deal in the making.

Geology of the Kirkland Lake is perhaps as complex as that of any mining camp in Canada. Thus a big ore body can lie undiscovered on a property such as Upper Canada which has been a producer for years. Strictly on its own merit, eastern Kirkland Lake has warranted further exploration. But with exploration funds practically non-existent, practically no work has been done the last few years. But it looks as if chances of other work in this section are vastly improved because of Upper Canada's results.

Renabie Depth Looking Good

Depth development at Renabie Mines is being attended by favorable results both in lateral development and diamond drilling, The Financial Post is informed.

Lateral development of "A" ore body on the new 675-ft. level now shows upwards of 1,000 tons of ore to the vertical foot averaging $10.15 a ton. Further work on "A," "B" and "C" ore bodies at this level is expected to result in a substantial increase in this ore measure.

Development work is continuing at the 675-ft. level to the north to the "B" ore body, to the east for "C" ore body and to the south and west for "A" body.

Drilling to depth from the main crosscut on the 675-ft. level has returned strong ore intersections, indicating continuity to depth of "D" ore body to the 825-ft. level on a westerly rake.

There has been less work done so far on the 525-ft. level than at the 675-ft. horizon.

The shaft is now down to 980 with the bottom level at 925 ft. Present indications are that there is a very large tonnage over and above the 315,000 tons of $8.75 grade ore estimated to the 375-ft. level at the end of 1948.

In the first half of the year, the mill exceeded mill capacity of 400 tons daily, treating an average of 411 tons. No decision has yet been made to adding an extra 50 tons to capacity although this has been under consideration.

ChromiumM&S Hit By a Fire

A spectacular fire on Tuesday of this week swept through the main Chrom-"X" and Sil-"X" storage plants and adjacent buildings of Chromium Mining & Smelting Corp. at Sault Ste Marie.

According to information at mid-week, the main furnace plant and equipment units were not damaged.

Cause of the blaze has not been determined. Damage has been tentatively estimated at $300,000. Much of the material destroyed was highly inflammable.

OSC Outlines Its Reasons For McGill Cancellation

A $50,000 credit from an associated printing company for sending out promotional literature, and "flooding the United States mails with literature," are mentioned by Chairman O. E. Lennox of the Ontario Securities Commission in his reasons for cancellation of registration of McGill Securities (Ontario) Ltd.

The reasons are reported by Mr. Lennox in the August, 1949, bulletin of the Ontario Securities Commission as follows:

"In the course of a current investigation it was disclosed that a printing company extended credit in excess of $50,000 to a broker-dealer, thus enabling this dealer to flood the mails outside of Ontario with promotional literature. Frank Kaftel owns 90% of the capital stock of the printing company in question. Kaftel also controls McGill Securities (Ontario) Ltd., registered with the commission as a broker-dealer. The business manager of the printing company is also a director of the McGill Securities Co.

"This is an obviously unhealthy situation that does not require further discussion at this stage, as Mr. Kaftel will be afforded ample opportunity to make representations if he applies to have the suspension of the registration of McGill Securities (Ontario) Ltd. lifted.

"I might, however, point out that Mr. Kaftel has indirectly been instrumental in flooding the United States mails with literature, despite his written undertaking not to make any offerings in the United States unless the issue was duly qualified.

"The registration of McGill Securities (Ontario) Ltd. will be suspended until further notice."

If Prospector Not Bona Fide OSC Won't Take His Syndicate

Possession of a miner's license doesn't necessarily mean that a man is a prospector when an individual approaches the Ontario Securities Commission to have his prospecting syndicate agreement accepted for filing, the August, 1949, bulletin of the Commission points out.

While many bona fide individuals are reported taking advantage of Section 42 of the Act which encourages prospecting, others are stated to have the impression that they can avoid the expenses of incorporation by calling themselves prospectors.

"The vast majority of such individuals, who fall into this category, have never prospected beyond the city limits and never will if such hardship can be avoided," the OSC declares.

The Commission reveals that investigation is planned of how long claims are likely to be in good standing and the past record of the individual who seeks registration. An accounting must be given of how funds of a previous syndicate were expended.

The policy of the Commission is to refuse to accept for filing any syndicate agreement sponsored by an individual who is not resident within the jurisdiction of the province.

Industrial Growth

Harvester

International Harvester Co. of Canada, Hamilton, President C. W. Lockard, major maker of farm tools, motor trucks, etc. has plans about ready for a 62,000 sq. ft., one-story steel and brick extension to its 305,000 sq. ft., $3 million truck plant at Chatham, Ont. It's on 45 acres in Chatham's fast-developing industrial "annex"; was completed last year and since has been producing an average over 50 trucks per working day Completion of the extension is scheduled for next summer, with "substantial" additions to the payroll expected then. Harvester is continuing to enlarge the "Empire content" of its trucks. A year ago it announced tentative plans to extend the sheet metal dept.; add a stamping operation.

• • •

Canadair

Canadair Ltd., Canada's biggest planemaker at Cartierville, near Montreal, and headed by President H. Oliver West, has awarded preliminary construction contracts for a $2 million plant extension. The move follows signing of agreements with the Canadian Government for production of 100 F86A "Sabre" jet fighter aircraft.

The extension, one-story, steel and brick, 700 by 315 feet or over 220,000 sq. ft., is to plans by T. Pringle & Son Ltd., engineers (E. C. Miller, architect). It will be used for fabrication of aircraft parts; fabrication and assembly of tools, dies, jigs and fixtures; will provide for rearrangement of the existing plant to raise its capacity and efficiency. Subassembly and final assembly of the jet fighters will be in Canadair's plant No. 2, also at Cartierville. Steel for the extension is by Dominion Bridge. Enlargements of the payroll on completion next year will be substantial.

Sicks' Breweries

Sicks' Breweries Ltd., Calgary, sees early outlay of $2 millions and plant employment of 100 men for its long-proposed Vancouver replacement brewery. "Problems of finding housing for the tenants (army hutments on the brewery site, tenanted by civilians) are the only obstacle to immediate construction," said Emil G. Sick of Seattle, board chairman. Negotiations to get possession are proceeding with Central Mortgage & Housing Corp., and it's expected construction can be started this fall. The Vancouver plant may use cans.

At Edmonton, $50,000 will be spent this year on further plant improvement, mainly machinery, on top of $300,000 spent in the last year or so on new bottling and other equipment.

At Regina a new cellars unit at about $200,000 will be added. The old bottle shop will be torn down to make way.

At Prince Albert, Sask., a $300,000 bottle shop is to be added.

• • •

Canada Dry

New Canada Dry carbonated beverage bottling plants are under construction at Rimouski, Que., and Windsor, Ont.

At Rimouski, franchise bottler Leopold Filion has walls up for a $40,000 plant; architect, Paul G. Brassard; contractor, M. Boucher.

At Windsor, interior work is under way for early completion of a similar plant for Canada Dry Ginger Ale Ltd., Toronto, one story, 9,200 sq. ft., steel and brick; architects, Sheppard & Masson; contractor, Loaring Construction Co.

At Hamilton, Halifax and possibly other locations, further new plants may be built in the early future either by Canada Dry or its franchise bottlers.

Upper Canada's 2nd Hole Rich

Another flat drill hole put out by Upper Canada Mines has intersected the wide ore zone cut by discovery hole No. 3772 which gave $9.82 across 72.5 ft. at the 1,000-ft. level. Values are even better than in the original hole.

The second hole, No. 3792, located 150 ft. west of the discovery hole, has returned $10.63 cut value across a width of 81.2 ft.

Two further holes were reported unofficially to have been completed at press time. Earlier, it was stated that two new holes were being drilled, one 150 ft. to the east of the discovery hole at the 1,000-ft. level, a second at the 1,750-ft. horizon.

Assuming an ore length of only 200 ft. on the basis of the two initial holes, 1,280 tons of ore have already been indicated per vertical foot averaging over $10.20 a ton.

Sherritt Cuts Ore on Fifth

132 ft. Runs 1.68% Nickel, 0.83% Copper —Depth News Soon

A first diamond drill hole put out at the fifth level of Sherritt Gordon Mines at 450 ft. depth has been a satisfactory one, giving further confirmation of the extension of the big "A" ore body from surface to depth, The Financial Post is informed officially.

From drill footage 183 to 315 ft.—a core length of 132 ft.—the hole averaged 1.68% nickel and 0.83% copper.

Preparations for drilling to depth have taken perhaps a little longer than expected but this work may get under way at the week end or shortly thereafter. In view of the way the property has been responding to drill exploration at 1,000 ft., considerable interest attaches to whether improvement will be found to continue below the 12th level (at 1,000 ft.) as the deep drilling progresses.

9th Better Than Surface

The 9th level at 800 ft. depth is pretty well fanned by drilling as far as "A" ore body is concerned. It has stood up very well and is definitely better than surface drilling indicated for this horizon. However, it is not up to the fine ore disclosures of the 1,000-ft. horizon.

It is understood that the crosscut through the ore body at the 1,000-ft. level has returned some rather exceptional values as indicated by mill heads of material delivered to the mill. Consideration has been given to putting a drill hole through the ore body close to the crosscut to check grade in drilling as against actual underground work.

CNR Awards Contract For Edmonton Sheds

EDMONTON—Work will start "almost immediately" on construction of the CNR new freight sheds here. Cost will be more than $750,000, H. H. Sparling, Winnipeg, general manager of CNR western lines, announces. General contract was awarded to W. G. Wells Construction Co., Saskatoon.

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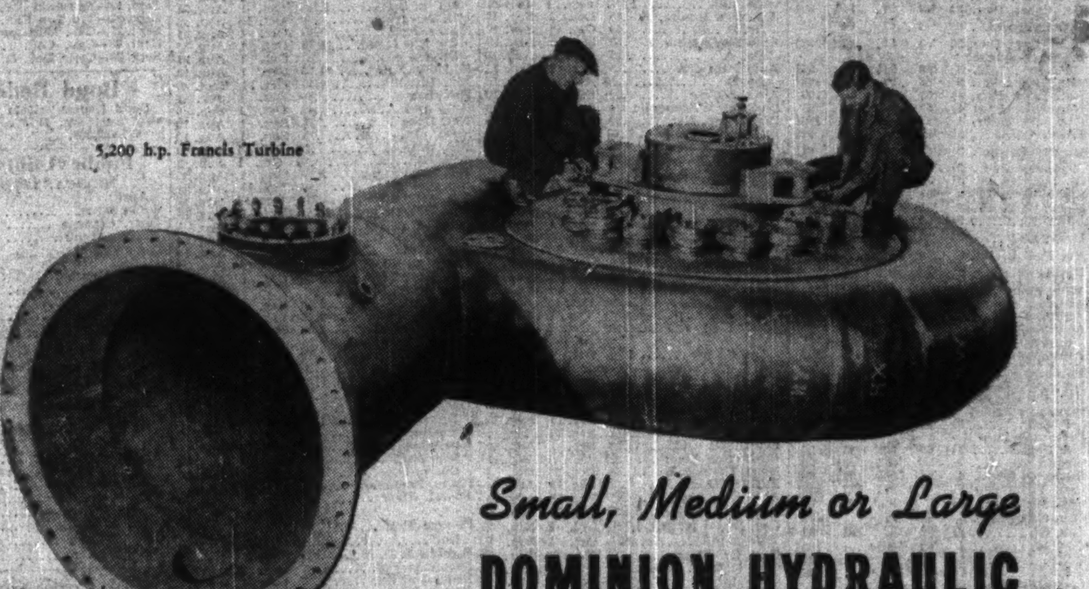
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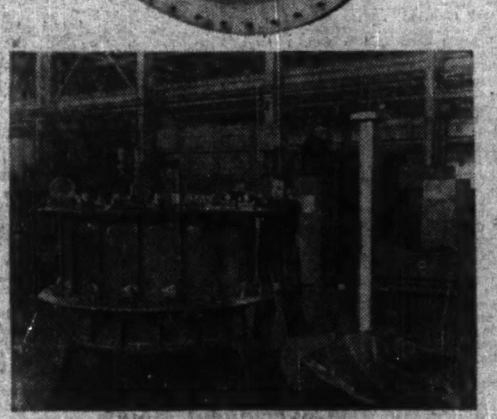
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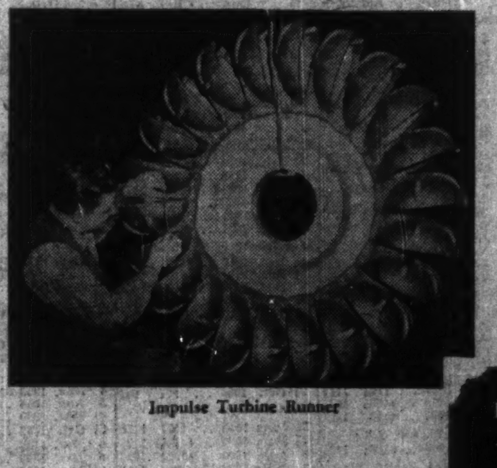
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MINING INVESTMENTS

More Gold Discoveries Seen at Present Mines

Will interest in the Canadian gold mining market be stimulated by a marked increase in the number of gold discoveries at established mines?

According to well-informed engineering opinion in mining circles there is a good chance this question will be answered in the affirmative.

Here is why:

Since the end of the war the average gold mine management has been forced to concentrate its energies on "dead work"—stope preparation, shaft sinking, timbering, etc.—in order to catch up on big arrears of development work. At many mines, however, mines have now been placed in much better shape and attention is again being paid to exploratory development: diamond drilling for parallel occurrences; putting out of exploratory drifts; even greater outside exploration.

This is the type of work which can make important ore news. And as this exploration work will only be replacing extraordinary expense for mine rehabilitation, discovery of new gold ore bodies may result without any increase in over-all expenses.

It is generally conceded that a few good new gold ore discoveries would probably do more than anything else to revive interest in gold mining.

* * *

Silver to The Fore

When silver last week edged up three successive days in New York for a total gain of 3½ cents an ounce at 73 cents, this represented the first change in the metal since Feb. 15. London silver market also advanced a penny. The upward swing was world-wide in character.

No immediate explanation was forthcoming for the revived interest in the metal which has been acting independently of the base metals group in the metals market. Recent adjustment downward of production of copper, lead and zinc in various parts of the world, however, has undoubtedly reduced by-product output of silver and this may be an important factor.

While Canadian silver production will likely continue to increase due to the operations of Torbrit Silver, United Keno, Silver Miller, and other new mines, world production of silver has fallen off sharply in the last decade. Strength in silver is thus hardly surprising.

In 1940, world production of silver was 273,400,000 oz. By 1946, however, world production had dropped to 131,119,028 oz. Complete details on 1948 production are not yet available but production last year was probably not more than 142 million ounces.

Mexico, which produces over a third of the world's silver, was a net importer last year due to its silver monetization program so that there was no great supply of silver available for the industrials arts compared with the early years of this decade. U. S. industrial use alone in 1948 was 110 million ounces, a peacetime high.

* * *

Batteries Help Lead

Lead continues buoyant in metal markets and it isn't difficult to establish why.

Battery manufacture is the greatest single use of lead and shipments of replacement batteries in the United States have tripled in the last few months.

Here are the relative figures:

U. S. BATTERY SHIPMENTS

Jan.	1,500,000	2,394,000	1,243,000
Feb.	1,601,000	2,254,000	826,000
Mar.	1,798,000	1,679,000	500,000
Apr.	1,868,000	1,211,000	499,000
May	1,873,000	1,027,000	686,000
June	1,737,000	1,200,000	1,059,000
July	1,433,000	1,506,000	1,652,000
Aug.	2,073,000	2,519,000	
Sept.	2,415,000	2,643,000	
Oct.	2,854,000	2,845,000	
Nov.	2,683,000	2,539,000	
Dec.	2,597,000	1,905,000	
Total	24,441,000	23,717,000	

* * *

No Plans for Ruth, Lucy

As the Jones & Laughlin Steel Corp. recently exercised its option on the Ruth and Lucy siderite properties of Sherritt Gordon Mines under a leasing arrangement which calls for $60,000 a year minimum royalty until the properties are placed in production, The Financial Post recently queried the Jones & Laughlin people about their plans for these properties. A reply just received says there are no present production proposals.

L. P. Barrett, chief geologist of Jones & Laughlin, writes as follows:

"The Jalore Mining Co. Ltd., a Canadian subsidiary of the Jones & Laughlin Steel Corp., is at present engaged only in exploration work in Ontario. We have no present plans for opening up the Ruth or Lucy siderite properties."

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Canadian Malartic Profits Improving

While ore grade treated at Canadian Malartic Gold Mines in the June quarter averaged only 0.097 oz. gold per ton, an estimated profit of $50,881 was realized after taxes but before write-offs compared with $30,558 in the June quarter of 1948.

Estimated cost-aid of $26,351 was responsible for most of the improved showing although tonnage of ore milled was up 2,000 tons from the preceding quarter at 114,343 tons.

Development rate has been increased 15% by work on the ore pass haulage system for the proposed underground crusher.

New Jason Mill Now Operating

First Unit Started August 4 — Year's Ore Reported on Hand

First unit of the 150-ton mill of New Jason Mines started operation Aug. 4, following a year's work on ore development and plant modernization. The second unit will be placed in operation the first week in September, President C. O. Stee reports.

In the week ending Aug. 20, ore going to the mill ran over $26 per ton with tailings for the period averaging only 20 cents a ton, it is stated. This indicates satisfactory extraction is being achieved.

Reserves of ore developed are estimated at 41,209 tons grading $25.20 a ton, plus a surface stockpile of 2,015 tons averaging $15.45 a ton. These figures were computed as of March 31, 1949, and considerable development in ore has been completed since, including a drift length of 108 ft. at the 5th level averaging $21.70 a ton or $16.10 cut over 24 in.

The west drift at the 5th level is being continued in the direction of a drill hole which returned $71.75 over 32 in.

Objective of the management is to establish overall costs of $12 a ton, Mr. Stee reports.

Company has acquired and paid for sufficient supplies to carry operations through next winter and working capital is stated to have been supplied for the period between starting production and securing of revenue from bullion.

Uranium-Biotite Discovery Made North of Lac La Ronge

Uranium has displayed itself in a new setting in Northern Saskatchewan, a setting which may influence future methods of search for this radio-active mineral.

University of Wisconsin students Robert Ford, Richard Claus, Hillis Ford and Roger Walker, after prospecting in a field immediately north of Lac La Ronge, recently announced they had uncovered a unique deposit of pitchblende with highly radio-active biotitic matrix.

According to special field officer Malcolm Norris of the mines branch of the Saskatchewan Department of Natural Resources there have been a number of uranium finds in Northern Saskatchewan, but this is the first time samples have shown them in combination.

While preliminary megascopic examination is not conclusive proof of the new discovery's radio-active potential, Mr. Norris said samples are the most interesting yet observed this season of all radio-active ore except that of pure pitchblende.

The ore shows nodules of pitchblende up to half an inch in diameter in a body of biotitic matrix. Biotitic matrix gives a geiger count rating of a high of 25, which may signify the presence of uraninite. The new find discounts previous belief of geologists that biotitic matrix did not contain a significant amount of uranium. The four student-prospectors are returning to Wisconsin, via Prince Albert, where they will register their claims.

(Biotite is stated by Encyclopaedia Britannica to be one of the mica family of minerals with black varieties rich in ferrous and ferric iron.)

Goldfields Uran'm Tests Great Area

A program of surface exploration, to be followed by diamond drilling, is being carried out by Goldfields Uranium Mines on concessions totaling 143¾ square miles in the Goldfields area, President W. A. Richardson reports.

All eight concessions held are stated to have some showing of pitchblende or are adjacent to known radioactive deposits. Grab samples are stated to have returned up to 2% uranium but sufficient work has not yet been done to establish representative values.

A crew of six is at present on the main holding which is about 24 miles southwest of Goldfields and through which a main northeasterly striking zone has shown radioactivity. A number of radioactive zones are reported to have been established within a width of 100 ft. Work is being done to more fully outline and extend these and to link them up with other showings in the same draw to the northeast.

A total of $20,000 to $25,000 is stated to have been raised for work to date.

ASCOT METALS CORP. has been admitted to trading on the listed section of the Montreal Curb Market. Ticket abbreviation is ASM. There are 2,337,505 shares outstanding, 162,500 shares under firm commitment at 40 cents a share and 749,995 shares under option at 45 to 75 cents a share.

East Sullivan Handles 2,500 Tons Steadily

East Sullivan Mines is showing this quarter that it can handle 2,500 tons of ore a day without any undue trouble.

During July the big copper-zinc producer treated 75,000 tons and at the current price of 17⅝ cents a lb. for copper and tonnage being handled, it is estimated that profits for the third and fourth quarters may be close to those of the second quarter ($533,129) even though both copper and zinc prices are less.

Quarterly profits on present tonnage and ore grade are estimated at $488,375, equivalent to $1,953,500 or 50 cents a share per annum on the company's issued shares. The company is exempt from Federal taxation until June 30, 1952. The above profits may be increased when pyrite production takes hold; pyrites may yield a profit of $100,000 in 1950 and succeeding years, it is thought.

Ore tonnage above the 650-ft. level is sufficient for five years' operations at current rate of extraction but work is proceeding to broaden the ore picture. The East ore body has been extended further east since the last ore estimate with a length of 200 ft. at the 5th level averaging 40 ft. in width. Grade runs mine average. Mine exploration is now proceeding at the 750 and 1,050-ft. horizons with a long east-west section to be explored.

At the 1,050-ft. level, drifts have been carried across the gap between the ore bodies. Initial transverse drilling has indicated favorable structure but no definite ore intersections have been reported as yet although minor sulphide mineralization has been encountered.

The drifts are to be carried to the east and west under the projected depth continuity of the main ore bodies and angled drilling to the north and south is to be done. Additional drilling machines are to be employed immediately.

Consideration is now being given to resumption of shaft sinking below the 1,050-ft. horizon. This may be started early in 1950 with a first objective of 1,000 ft. or 2,200 ft. of depth.

B. A. Pays Over $900,000 For Choice Redwater Quarter

From Our Own Correspondent

EDMONTON—Another $2,865,519 in revenue for the Alberta Government from the sale of oil leases in the Redwater oilfield has been announced by Minister of Mines Tanner. This was derived from successful bids on nine quarter-section parcels in the field. Bids were rejected on five other quarters.

Since Alberta began the cash bonus system for oil leases April 1, 1948, more than $19,276,500 has flowed into the provincial treasury from this source.

A record $902,800 was paid for one quarter-section lease by British American Oil Co., who also bid successfully $100,160 for another quarter-section. In a previous sale Amerada Petroleums Corp., of Delaware, Md., paid $3,223,320 for a section, which works out to an average of $805,830 per quarter, the previous high.

B.A.'s high-priced parcel is between Imperial Oil's discovery portion of the field and three quarter-sections of crown lease taken by McColl - Frontenac - Texaco for $1,459,000 in the last previous sale.

A parcel adjoining B.A.'s top buy went for $650,121 to Royalite Oil Co.

Texaco Exploration Co. paid $902,000 for two quarter section leases, $501,000 for one and $401,000 for another.

Calvan Petroleum and associated companies paid $136,106 for one parcel and $76,102 for another. Alberta Giant Oil Co. received a parcel for $33,080 and Ed-Bridge Petroleum Co. $25,150 for another.

Four of the leases sold are subject to an overriding royalty of 15% on all oil found.

Camray Finds "Pitch" In Newly-found Zone

Pitchblende has been found in a new zone at Camray Mines which has been located as the result of work with a new Geiger counter developed by Mining Geophysics Corp.

Geiger survey work indicated the new zone for a length of 300 ft. and work is now being done with a bulldozer to strip the entire zone. There is about 3 to 5 ft. of overburden.

A first trench across the new zone has shown a foot wide fracture at a contact zone with a number of pitchblende seams showing widths up to a quarter of an inch.

MINING CONCENTRATES

AMALGAMATED LARDER MINES at June 30, 1949, showed current assets of $139,512 including $125,250 government bonds as against current liabilities of $306, leaving working capital just over $139,000. This represented an improvement of about $7,500 from six months earlier.

* * *

NORTHLAND MINES has completed a new financing agreement under which a firm underwriting is made on 200,000 shares for $15,000 with options provided on a further 800,000 shares at 10 to 35 cents to provide $180,000 if fully exercised.

* * *

NORBENITE MALARTIC MINES shares were removed from trading on Toronto Stock Exchange Tuesday, being replaced by those of the successor company, Norlartic Mines. Exchange basis is one new share for each four old shares held.

* * *

NEW AUGARITA MINES has resumed diamond drilling after a shutdown of five days. Further holes are expected to be based on the results of a report now being prepared by Geotechnical Development Co., which arises out of their recently concluded survey.

VANANDA MINES (1948), in its initial tune-up period of six months found gold values came up to expectation of Sheep Creek Gold Mines of 0.17 oz. gold per ton but copper values were found to be only 1.2% in practice against an anticipated 1.7%.

Trouble in retaining a satisfactory crew contributed to difficulties in attaining profitable production with the 150-ton mill which was placed in operation in November, 1948. Ore reserves at April 30, 1949, totalled 73,856 tons averaging 0.16 oz. gold and 1.20% copper, not including probable ore below No. 6 level.

Conditions at the mine are stated to have improved recently with 3,200 tons extracted in July against 11,700 tons put through the mill and 2,999 tons of crude ore shipped up to April 30.

Balance sheet as at April 30, 1949, showed $45,736 current assets against $26,203 current liabilities. Loan from Sheep Creek Gold Mines was $50,000 while $25,000 of 5% debentures were also outstanding.

A further $25,000 of debentures have since been taken up to provide further working capital.

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6-9

Johnston-Sharp Finds Give Uranium Assays

Assays of 0.40%, 1.05% and 0.13% U_3O_8 content have been received by Austin L. Johnston from three grab samples sent in from three discovery zones in the Black Lake uranium area of Northern Saskatchewan.

The first sample was from an inch wide fracture zone extending for a length of 150 ft.; the second from a dyke-gneiss contact section which showed an 8-in. width and a length of 100 ft. Third sample was from a similar contact zone exposed for 300 ft. and 8 in. wide.

Pluto Bay Uranium Syndicate is now being formed to take over the showings.

EL-PEN REY MINES has received payment for 25,000 shares at 15 cents a share, part of Aug. 20 installment of 150,000 shares under agreement with Stuyvesant-North. Balance of installment, together with all subsequent installments, have been extended for two months. Issued capital is 1,513,335 shares, leaving 2,486,665 in treasury.

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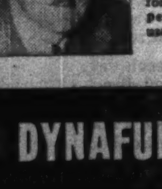

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J. E. HAMILTON,
Railroad Agent, Montreal, P.Q.

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More Dollars or Social Service Cuts? Which Will Pave Way in U. K. Recovery?

LONDON—All thoughts now go forward to Washington. It is fully realized here that the talks which Sir Stafford Cripps and Ernest Bevin will have there with the Canadian and American representatives must have far-reaching consequences here. They are likely to be the decisive factor in determining whether a general election takes place this year or not.

The way most people see it, the United States Government will be unwilling to make further dollars available unless the British Government indicates a real intention to put stringent economies into effect. The British Government, on the other hand, is bound to be influenced by the fact that in any event an election must take place within some eight or nine months. No government of any complexion likes imposing cuts on the electorate on the very eve of asking for its votes.

Therefore the argument is that the Socialist Party would rather have their election first and deal with the economies after. But here again there is a difficulty because it would not be easy to make promises to the voters which would be dependent on the successful outcome of the dollar negotiations. The man in the street does not suppose that the Government here will be prepared to make sacrifices in their social program; nor do they see any further dollars forthcoming without some such sacrifices.

* * *

The result is an atmosphere of bewilderment and a feeling that something entirely new must be devised. There is certainly a growing tendency to think that Beaverbrook was right and the others were all wrong when he campaigned against the dollar tie-up and urged everyone to put their faith in the Empire. This reaction has aroused considerable interest in the personalities of the Canadian spokesmen in the Washington talks.

* * *

The great majority of people here do not truly understand Canada's own special dollar problems. They vaguely suppose that every part of the Empire is automatically in the sterling area. They do, however, realize that Canada has given valiant and generous help to the Mother Country and they are deeply appreciative of it. They are also anxious that we should do everything in our power to reciprocate. Therefore Mr. Pearson and Mr. Abbott are very much in our minds at the moment.

* * *

Does Welfare State Cost Affect Dollar Situation?

Whenever these economic problems are discussed, the question invariably arises as to whether we are justified in seeking American aid at the same time as we are involving ourselves in the expenditure of the Welfare State.

There is undoubtedly a good deal of confused thinking about this matter. The Socialists claim that the cost of the Welfare State is borne internally and does not affect the dollar situation; the Anti-Socialists retort that, while that may be strictly accurate, the external position is involved inasmuch as the additional burdens on industry cause price increases which seriously affect the dollar-earning export trade.

This is the sort of discussion which can go on interminably, because it is possible for differing schools of economic thought to advance comfortable theories supporting either argument. Sir Stafford Cripps himself has stoutly denied that taxation increases costs of production and claimed to conclude the argument by saying "you will never find an item of taxation in a costing estimate."

That may be perfectly true. But you will find labor charges in a costing estimate and it is idle to assert that these are not affected by taxation. To the ordinary man here the answer is simple. He does not bother with any economic theories. He merely looks at the bills and knows that somebody is paying for all this and he assumes that if we could do it without aid from overseas we would not be worrying about aid from overseas.

* * *

Rail Strikes, Absentees Point Up Major Problem

In spite of Washington, there is plenty to worry about at home. Strikes are in the air again and show every sign of becoming serious. Some 600 pit winders are out. It may seem a small number but these are keymen. Their absence from work makes about 100,000 coal-face workers idle.

The Sunday rail strikes have been resumed and look like spreading. These are token strikes; the men resume work during the week. But such strikes are intensely irritating to many people. This looks very like a case where public opinion will be ahead of government action. The railwayman has always been rather popular with the British public but he is getting no sympathy in this affair. On the contrary, the only noticeable political reaction is that a strike such as this fortifies the Conservative belief that men work best when they have an incentive.

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Alongside these strike worries there is the question of absenteeism. Most working men and women like to do a full day's work for a fair return. But the fair return is of no use unless it will buy something.

There is a growing feeling that the export business has been overdone, with the result that there is a shortage of commodities at reasonable prices for home consumption. Add to that the heavy burden of individual taxation and it is not difficult to see why a proportion of workers see no point in earning over a certain figure. They earn what they need for their everyday wants. Beyond that they do not worry; if they work to earn more the State will take part of it and the rest will not be much use.

This is a social and economic problem which is crying out for attention. No one, however, thinks it likely that anything will be done about it in the life of this Parliament.

* * *

An American Viewpoint That Arouses Interest

The outspoken "Utopia on the Rocks" articles about this country in the Scripps-Howard Press have had a lot of publicity here. A few very partisan Socialists who regard any comment which is not laudatory as critical, and resent any criticism, do not like them. Apart from such people, however, there is general agreement that they representa a fair and balanced view of the present situation here and that there is no ground for complaint.

The thinking section of the population is very pleased to read this careful analysis. They feel that the only hope for the future is a full understanding between the English-speaking peoples and that an essential condition of such understanding is a complete knowledge of each others' lives. Incidentally, there was a part of those reports which accurately reflected the average Englishman's view of the matter, which I have discussed above with regard to the question of whether the Welfare State is dollar-subsidized.

In his articles Mr. Leech says that U. S. aid may not pay directly for the National Health Scheme but, he says, it is like when a man lends a relative a hundred dollars on condition he does not spend it on booze and the relative spends the money on paying off his debts and uses his own money which would otherwise have paid the debts on buying booze. This is an amusing analogy and has a basis of truth. There is, of course, a fallacy. We have other dollars outside those we borrow. We still earn enormous sums in dollars which we are entitled to spend as we wish.

However, there is sufficient substance in the analogy to make people think.

* * *

Now, all this sounds as though we are fairly depressed here. Such is far from being the case, because it is a curious characteristic of the people of this island that they never become gloomy, however grim the outlook. I have never been able to decide whether this is due to a refusal to understand difficulties or a determination to overcome them.

Anyhow, there are two things to which we are looking forward. One is the Empire Games in New Zealand in February, 1950, and the other is the Festival of Great Britain in London in May, 1951. Which either proves we are determined to be jolly at any cost or that we believe that 1950 and 1951 could not be worse than 1949.

WALSH ADVERTISING COMPANY EXECUTIVE APPOINTMENT

CHARLES E. KING

W. George Akins, president of Walsh Advertising Company Limited, announces the appointment of Charles E. King to the Executive Department of the Toronto Office.

Mr. King has had lengthy experience in two highly competitive fields of merchandising — electrical appliances and food products.

He was with the advertising department of Canadian General Electric Co. Ltd. from 1935 until enlistment with the R.C.A.F. in 1941. Since his service discharge with the rank of Squadron Leader in 1946, Mr. King has been Advertising Manager of Thomas J. Lipton Ltd., directing all phases of advertising and sales promotion for both the beverage and food product divisions.

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CP Airlines Moves H.Q. to Vancouver

From Our Own Correspondent

VANCOUVER — Canadian Pacific Airlines head office is moving to Vancouver from Montreal, President Grant McConachie announced on the inaugural Vancouver-Australia flight.

Part of the move has already been made with only top executives now in Montreal. Administrative staffs have already been set up in their offices here.

IDB Loans Up During July

MONTREAL (Staff)—Loans and investments of Industrial Development Bank totaled $20.6 millions at July 30, an increase of $355,000 since the end of June. Comparative statement follows:

	1949 July 30 $	1949 June 30 $
Assets		
Cash on hand & in banks	16,827	31,273
Dom. Govt. secs.	5,783,188	5,989,694
Loans & invests.	20,611,714	20,266,571
Guar. & u/w agree.	3,265,000	3,245,000
All other assets	307,047	371,946
	29,983,776	29,904,434
Liabilities		
Capital paid-up	25,000,000	25,000,000
Reserve fund	783,612	783,612
Conting. liab. re guar. & u/w agree.	3,265,000	3,245,000
All other liabs.	635,164	575,872
Reserve for losses	300,000	300,000
	29,983,776	29,904,434

MILTON BRICK CO. The Aug. 15 installment of 20,000 shares at $1.25 a share under agreement with Melville H. Ross, has not been exercised. Negotiations with respect to an extension are under way.

Start Construction Steam Gen. Station In Toronto Nov. 1

Actual construction of the Toronto steam generating station of the Hydro Electric Power Commission of Ontario, estimated to cost some $40 millions, is scheduled to start on Nov. 1 with the driving of some 1,800 compressed concrete piles, Chairman R. H. Saunders has announced. The contract for the supplying and driving of these piles has been awarded to the Western Pile & Foundation Co. of Montreal.

The first unit is expected to be delivering power by the fall of 1951, the second unit early in 1952. Capacity of the first two units will be 200,000 kw, (267,000 hp). Provision is being made for the installation of four additional units at a later date.

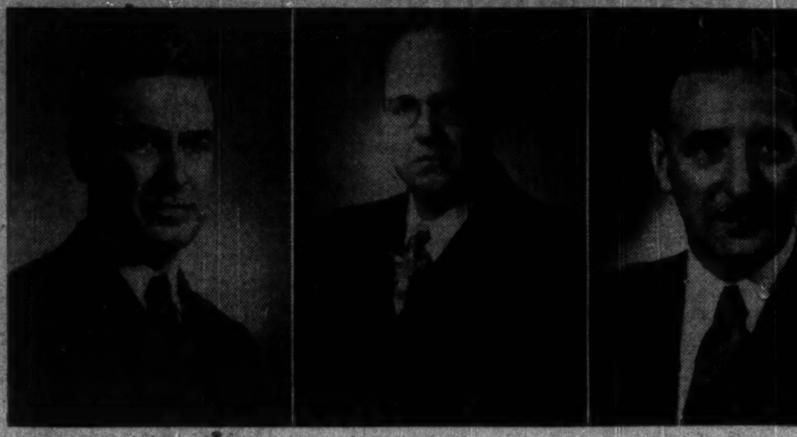
Meanwhile contracts and orders up to Aug. 15 totaled about $10,200,000 and further purchases to Nov. 15 are expected to amount to an additional $2¼ million, Mr. Saunders stated. Orders have been placed for most of the major items of equipment including two steam turbine-generators from C. A. Parsons & Co. of England, two steam generators from Babcock-Wilcox & Goldie-McCulloch of Galt, and two condensers from John Inglis Co. of Toronto.

Bawden Machine Buys Kerr Engine Rights

Bawden Machine Co., Toronto, announces it has bought manufacturing and sales rights of Kerr Engine Co., Windsor, Ont., 77-year-old maker of fire hydrants, valves, etc.; that it has brought to Toronto in the deal Kerr designs, patterns, jigs, fixtures, finished stock and some production machines. Bawden's president and general manager, R. D. Bawden, reports his firm now will make Kerr products and maintain their quality; promises quick attention to servicing Kerr units now in operation.

Bawden for 41 years has made fire hydrants, pumping and other municipal and industrial equipment such as rubber machinery, special machinery, tools and dies for domestic and export requirements. As well, it is sole owner of Worr Foundry Co., Petrie Brass Co.

CANADIAN VICKERS LIMITED APPOINTMENTS



G. AGAR R. K. THOMAN R. LOWERY

T. R. McLagan, Executive Vice-president of Canadian Vickers Limited, has announced the appointment of G. Agar as Executive Engineer and Assistant General Manager; R. K. Thoman as Assistant General Manager, Engineering Division; R. Lowery as Naval Architect and Assistant General Manager. These appointments become effective August 10.

*

TOWN OF UXBRIDGE, Ont., has sold a new issue of $71,500 3½% debentures, maturing in 15 and 20 installments to Canadian Bank of Commerce and J. L. Graham & Co. at an average price of $100.465 or a cost basis of about 3.45%. Proceeds for extension of water mains and completion of sewer system.

Your first thrill is seeing it . . .
Your greatest thrill is owning it!

The Styleline De Luxe 2-Door Sedan

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The most Beautiful* BUY *for Styling. As all master designers know, "the *curve* is the line of beauty." And the *curve* is the key-line of the 1949 Chevrolet — front, top, side and rear! Add to this the glowing color harmonies, the luxurious fittings and fabrics of its Bodies by Fisher — found elsewhere only on higher-priced automobiles — and you'll understand why people call Chevrolet the most *beautiful* of cars.

The most Beautiful* BUY *for Driving and Riding Ease — with new Centre-Point Design. What *totally new* driving ease — what *totally new* riding restfulness — with Centre Point Design! This remarkable 4-way engineering advance — including Centre-Point Steering, Centre-Point Seating, Lower Centre of Gravity without loss of road clearance, and Centre-Point Rear Suspension — brings you results heretofore unknown to low-cost motoring. It's exclusive to Chevrolet and higher-priced cars.

The most Beautiful* BUY *for Performance with Economy

Talk about thrills! You'll get *the biggest "triple-thrill" in motoring* out of seeing, driving, and saving money with this new Chevrolet for '49 — the *most beautiful buy of all!*

And while you'll naturally be happy to know it's the beauty-leader, we believe you'll get your *greatest thrill* out of driving it. You'll experience amazing new handling ease and riding ease, thrilling acceleration, and outstanding hill-climbing ability, all delivered with typically tight-fisted Chevrolet savings on gas and oil. For here's the *only* low-priced car with a world's champion Valve-In-Head engine — of the type now being used on more and more higher-priced automobiles — the most beautiful buy for performance with economy, just as it's the most beautiful buy for styling.

Give yourself and your family the biggest "triple-thrill" in motoring . . . see, drive and save with Chevrolet for '49 — *the most beautiful buy of all!*

The most Beautiful* BUY *for Comfort. If you would know a truly comfortable motor car — *sit here!* Enjoy the lounging restfulness of a Super-Size Interior with extra-wide "Five-Foot Seats," extra-generous head, leg and elbow-room, and the advanced heating* and ventilating system of a "car that breathes" — inhaling outside air, exhaling stale air, and keeping glass clear. *(Heater and defroster units optional at extra cost.)

The most Beautiful* BUY *for All-Round Safety. You and your family will enjoy greater safety, too, *fivefold safety protection* exclusive to this one low-priced car: (1) New Certi-Safe Hydraulic Brakes with "Dubl-Life" rivetless brake linings (2) Extra-Strong Fisher Unisteel Body Construction (3) New Panoramic Visibility (4) Safety Plate Glass in windshield and all windows, and (5) the super-steady, super-safe Unitized Knee-Action Ride.

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